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Housing Element

City of Signal Hill

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TABLE OF CONTENTS

APPENDICES

CHARTS

TABLES

PART 1
INTRODUCTION

A. BACKGROUND

State housing law requires every city and county to prepare and adopt a housing element. The State Department of Housing and Community Development (HCD) administers the state housing law, including the review of local housing elements. The State HCD refers to Government Code Sections 65580-65589.8 as the state housing law.

Housing elements were first mandated to be included in a community's general plan by State legislation enacted in 1969. Government Code Section 65588 requires each local government to periodically review and revise their housing elements. The City last adopted its Housing Element in 1989. Government Code Section 65588(e)(1) requires all local governments within the regional jurisdiction of the Southern California Association of Governments to revise their housing elements by December 31, 2000. This revised Housing Element complies with this requirement.

B. SCOPE AND FORMAT OF THE HOUSING ELEMENT

Government Code Section 65583 states:

> *The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobilehomes, and shall make adequate provision for the existing and projected needs of all economic segments of the community.*

To satisfy State requirements, the City's Housing Element must include five major components:

1. An assessment of housing needs, as prescribed by the State housing law.
2. An inventory of resources and constraints that facilitate and/or hinder the public and private capacity to meet the housing needs.
3. A statement of goals, policies and quantified objectives that will guide the implementation of specific programs.
4. A housing program to be implemented over a five-year period that describes the implementation actions to be taken by the City to meet the needs.

5. A report that describes the City's progress toward achieving the goals, policies, objectives and programs adopted in the prior housing element.

Part 2 of the Housing Element satisfies the requirements of the following Government Code Sections:

Government Code Section 65583(b)(1): "A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement and development of housing."

Government Code Section 65583(c): "A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element...."

In addition, Government Code Section 65583(c) requires that the program shall:

Identify adequate sites which will be made available through appropriate zoning and development standards and with services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels.

Assist in the development of adequate housing to meet the needs of low- and moderate-income households.

Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

Conserve and improve the condition of the existing affordable housing stock.

Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.

Preserve for lower income households the assisted housing developments at risk of conversion to market rate housing.

Technical Appendix A addresses the requirements of Government Code Section 65583 (a)(1) through (a)(8) by providing data on housing needs, resources and constraints. Section A of this Appendix describes the nature and scope of the information that is required to be included in the assessment of housing needs and the inventory of resources and constraints. Section B through Section L contains the detailed statistics, data, tables and analysis for each required component.

Technical Appendix B addresses the requirements of Government Code Section 65588(a) by providing a review and evaluation of the City's prior Housing Element. The goals, policies, programs and actions included in the prior Housing Element are listed. A

description is provided of the progress made to implement or achieve each planned action.

C. PUBLIC PARTICIPATION

In order to involve the public, particularly low-income population and their representatives and/or advocates, the City completed the outreach efforts listed below.

> The City notified by letter and solicited input from the following groups: Los Angeles Community Design Center, Long Beach Affordable Housing Development Corporation and additional non-profit housing organizations.
>
> The City published in a local newspaper A Notice of Availability of the Draft Housing Element. The Notice stated that comments on the draft document could be made to the City during a 30-day period.
>
> Copies of the Draft Housing Element were made available at the City Hall and local library.

Following the HCD review of the 1997 Draft Housing Element, the City took a series of actions toward continued development of the 2000 Housing Element. All of these actions were taken to develop specific programs and/ or projects that where to be included in the Housing Element Update. The City decided to use a bottom-up process obtaining neighborhood level participation and input. During 1999 -2000, six neighborhood workshops where held to discuss the general plan update process including the update of the land use and housing elements. When meeting room facilities were available, meetings were held at schools or buildings located in the neighborhood subject of the workshop. In advance of each workshop, a flyer was mailed to each property owner and hand delivered to neighborhood residents. As an incentive to encourage participation several pies where given away to participants as door prizes. Workshop participants completed a "likes" and "dislikes" questionnaire, discussed land use, housing and related neighborhood issues in small groups and presented conclusions and recommendations to the larger group. Planning staff incorporated the community responses into the Draft Housing Element.

During the planning process for the Town Center West senior housing project and Las Brisas Apartments very low income rental rehabilitation project, staff conducted numerous outreach efforts and solicited input from affordable housing developers and advisors including: Los Angeles Community Design Center, Lee Group, Southern California Presbyterian Homes, Pacific Gulf Properties and RHC Communities.

The City also obtains community input from its residents by receiving responses to City Views Newsletter that is mailed to residents quarterly, news articles published in the Signal Hill Star Tribune, Signal and View newspapers.

Additional opportunities for citizen participation will include the formal Public Hearings before the Planning Commission and City Council after the City receives comments from HCD. Each of these meetings will be duly noticed in local newspapers and posted in accordance with State law.

D. INTERNAL CONSISTENCY

Government Code Section 65583(b)(6)(B)] requires an identification of "...the means by which (housing element) consistency will be achieved with other general plan elements...." Internal consistency, as used in California planning law, means that no policy conflict exists, either textual or diagrammatic, between the components of an otherwise complete and adequate general plan. The internal consistency requirement has five components: 1) equal status among the general plan elements; 2) consistency among the elements; 3) consistency within an element; 4) area plan consistency and 5) consistency between text and diagrams included in the general plan elements.

The City's General Plan is comprised of all the elements mandated by State law. The City Attorney and the Community Development Department Planning Division have each reviewed the Housing Element in relationship to the balance of the General Plan. Both have found that there are no conflicts between the Housing Element's policies and programs and those adopted in other General Plan Elements. The Housing Element policies and programs are consistent with the land use designations and densities included in the Land Use Element. It is a policy of the City that any amendments to the General Plan are evaluated for consistency with the other elements of the General Plan.

PART 2
HOUSING STRATEGY

A. INTRODUCTION

Section 65583 (b) of the Government Code requires that a housing element include:

> *"A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing."*

The following definitions, developed by HCD, provide guidance on the meanings of these terms:

> *"Goals are general statements of purpose. Housing element goals will indicate the general direction that the jurisdiction intends to take with respect to its housing problems. While reflecting local community values, the goals should be consistent with the legislative findings (Section 65580) and legislative intent (Section 65581) of Article 10.6 and other expressions of state housing goals contained in the housing element law. Goals may extend beyond the time frame of a given housing element.*
>
> *Policies provide a link between housing goals and programs; they guide and shape actions taken to meet housing objectives.*
>
> *Quantified objectives are the maximum actual numbers of housing units that the jurisdiction projects can be constructed, rehabilitated, conserved and preserved over a five-year time frame. In order to more realistically plan for the implementation of housing programs, it is useful for localities to establish objectives for each housing program which will be implemented during the time frame of the element. Objectives may therefore be short-term in outlook compared to community's goals." (emphasis added)*

Section 65583(c), requires that the housing element include:

> *"A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available and the utilization of moneys in a Low and Moderate Income Housing Fund of an agency if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law. (emphasis added)*

Government Code Section 65583(c) requires that the program shall:

> Identify adequate sites which will be made available through appropriate zoning and development standards and with services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels.
>
> Assist in the development of adequate housing to meet the needs of low- and moderate-income households.
>
> Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.
>
> Conserve and improve the condition of the existing affordable housing stock.
>
> Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.
>
> Preserve for lower income households the assisted housing developments at risk of conversion to market rate housing.

The State housing law defines these program categories as follows:

1. Section 65583(c)(1) states that a housing program must:

   "Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, emergency shelters and transitional housing in order to meet the community's housing goals as identified in subdivision (b)."

2. Section 65583(c)(2) of the Government Code mandates that a housing program shall:

   "Assist in the development of adequate housing to meet the needs of low and moderate income households."

3. Section 65583(c)(3) states that a local housing program must:

   "Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing."

4. Section 65583(c)(4) states that a housing program shall describe actions to:

   "Conserve and improve the condition of the existing affordable housing stock."

5. Section 65583(c)(5) requires that the housing program:

   "Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color."

6. Section 65583(c)(6) mandates that the housing program shall do the following:

   "Preserve for lower income households the assisted housing developments . . . The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all the available federal, state, and local financing and subsidy programs except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve regulations and technical assistance."

B. QUANTIFIED OBJECTIVES BY INCOME GROUP

As required by Section 65583(b), the quantified objectives *by income group* for the 2000-2005 program period are stated in Part 2. State law defines the income groups in terms of the percentage of the Los Angeles County median income ($52,100 in March 2000):

Very low income – 0-50% of median income
Low income – 51-80% of median income
Moderate income – 81-120% of median income
Above-moderate income – 120%+ of median income

Each year the U.S. Department of Housing and Urban Development (HUD) and the State Department of Housing and Community Development (HCD) update the household income limits for each group. Table 2-1 presents the income limits for three income groups plus the median income.

HCD has stated the following:

> "The construction objective refers to the number of units that potentially may be constructed over the planning period of the element given the locality's land resources, constraints which cannot be mitigated or removed, and proposed programs. The rehabilitation objective is the number of existing units expected to be rehabilitated during the planning period of the element.

Table 2-1
Los Angeles County Year 2000 Income Limits

Household Size	Very Low	Low	Median	Moderate
1	$18,250	$29,200	$36,450	$43,750
2	$20,850	$33,350	$41,700	$50,000
3	$23,450	$37,500	$46,900	$56,250
4	$26,050	$41,700	$52,100	$62,500
5	$28,150	$45,000	$56,250	$67,500
6	$30,200	$48,350	$60,450	$72,500
7	$32,300	$51,700	$64,600	$77,500
8	$34,400	$55,000	$68,750	$82,500

Source: State Department of Housing and Community Development,
2000 Income Limits, March 2000

"The conservation and preservation objectives refers to the preservation of the existing affordable housing stock throughout the planning period. To determine the number of units to be conserved, a locality could, for example, quantify the number of existing housing units that will be preserved through the provision of more stable zoning for mobilehome parks or other affordable types. A housing element could also provide objectives for local participation in the Section 8 tenant based certificate/voucher program, which preserves the affordability of rental units. A subset of the conservation objective is the number of federally, state, and locally assisted 'at-risk' units to be preserved." [State Department of Housing and Community Development, Housing Element Questions and Answers, September 2000, pg. 47]

The State housing law, as mentioned earlier, requires that the Housing Element establish the quantified objectives for each *income group*: very low, low, moderate and above moderate. The quantified objectives for the 2000-2005 program period by income group are stated below:

Table 2-2
Quantified Objectives: 2000-2005

Category	Very Low	Low	Moderate	Above Moderate	Total
Construction	100	50	30	300	480
Rehabilitation	90	0	25	0	115
Conservation	3	0	0	0	3
Preservation	0	0	0	0	0

According to the State Housing Law, the City's Housing Element must state *"the maximum actual numbers of housing units that the jurisdiction projects can be constructed ... over a five-year time frame."* In this context, the City's quantified objective can be the same, more or less than the City's share of the regional housing need.

The RHNA allocated to the City a construction need of 260 housing units:

Income Group	Number	Percentage
Very Low	55	21%
Low	45	17%
Moderate	55	21%
Above Moderate	105	41%
Total	260	100%

The *construction objective* refers to the number of units that potentially may be constructed between January 1, 1998 and June 30, 2005 given the City's land resources, constraints that cannot be mitigated or removed, and proposed programs. Development trends experienced in the past decade indicate that the construction objective can be met in the next five years. New construction will provide 150 very low and low income, 30 moderate income, and 300 above moderate housing units.

The 150 very low and low-income housing units are included in the Town Center West senior housing development. The City has approved rezoning of the 3.5-acre senior housing development site to Specific Plan-7, Special Needs Housing designation to allow higher residential density and has also relaxed parking standards for the project. In addition, the following program efforts are likely to produce new affordable housing during the planning period: Infill Housing Program, Commercial/Residential Mixed Use Development Program, and Owner-Occupied Housing Program.

The *rehabilitation* objective includes 90 low and 25 moderate-income units. The Las Brisas Community Master Plan calls for the rehabilitation of 90 housing units located in 4-plex structures on a 5.2-acre site. The City has rezoned the Las Brisas site to Specific Plan-7, Special Needs Housing and recently completed all necessary entitlements for the project to proceed upon funding. The project includes enlarging 29 two-bedroom apartments into three-bedroom apartments to accommodate large families. The rent structure for this project is 45% to 50% of the area median income. The Agency set aside funds and grants are the funding sources to attain this objective. A subsequent potential rehabilitation project would provide up to 25 moderate-income dwelling units located on the east side of California Avenue east of the Las Brisas Community. Entitlements and funding for this project have not been identified.

The *conservation objective* refers to maintaining existing affordable housing through measures such as rent subsidies and implementing land use controls during the program period. The quantified objective includes three (3) existing units/households

assisted by the Section 8 rental assistance program (administered by the Los Angeles County Housing Authority.)

The *preservation* objective refers to maintaining the affordability of existing affordable housing at-risk of conversion to market rate housing. The City has no such housing and, therefore, no objective has been established.

C. PROGRAM DESCRIPTIONS

This part describes the programs to be implemented during the five-year program period, 2000-2005. The narrative program descriptions must identify, as applicable, the actions

to be implemented, funding sources, the agency responsible for program implementation, the quantified objective for each program, and time schedule. Program descriptions are included for five categories:

Category #1: Provision of Adequate Housing Sites
Category #2: Assist in the Development of Low and Moderate Income Housing
Category #3: Removal of Governmental Constraints
Category #4: Conserving Existing Affordable Housing
Category #5: Promote Equal Housing Opportunity

Signal Hill does not have any existing affordable housing at-risk of conversion to market rate housing between 2000-2010. Therefore, a program is unnecessary for this category.

Category #1: Provision of Adequate Housing Sites

Housing Need Summary

The purposes of the inventory of sites are: 1) to identify sites that facilitate the development of a variety of housing types for all income groups and 2) to identify sites that accommodate the City's construction need. Specifically, the Housing Element Law reads:

> *Identify adequate sites which will be made available through appropriate zoning and development standards needed to facilitate and encourage the development of a variety of housing types for all income groups, including multifamily rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing.*

The housing unit potential of the identified sites is compared to the City's construction need to calculate whether there are "adequate" sites. As of November, 2000, the unmet RHNA need was 260 housing units with the following income group distribution:

Very Low	55
Low	45
Moderate	55
Above Moderate	105
	260

Goals and Policies

Goal 1

Achieve a quantity and diversity of housing to meet the needs of all income groups.

Policy 1

Ensure that there is sufficient land available to accommodate the regional share needs for the 2000-2005 program period.

Policy 2

Plan for a housing supply that contributes to meeting the needs of all household types, income groups and special needs.

Programs

The City implements two programs: Land Use Element/Zoning Code and Infill Housing Inventory.

Program 1 — Land Use Element/Zoning Code

Action: With respect to housing variety, the Land Use Element provides for three residential designations. The three residential designations are described in Technical Appendix A. In addition, the development of affordable housing is facilitated by Specific Plan zoning for special needs housing and mixed residential/commercial development.

Responsible Agency: The Planning Division of the Community Development Department implements the General Plan and administers the Zoning Code. The General Plan was last comprehensively updated in 1986, the Circulation and Land Use Elements where updated in 1989, and the Land Use Element was updated again in 2001.

Quantified Objective: The City's objective is to designate in the General Plan sufficient vacant and underutilized land to accommodate the City's share of the regional housing needs during the 2000-2005 program period. As explained in Technical Appendix A), the following sites have been identified as contributing to satisfying the Regional Housing Needs Assessment:

Chart 2-2

Available Sites Inventory

Site	Description	Zoning	Units
TCW Senior	Large lot	Special Needs Housing	152
Hilltop	Large lots	Specific Plan	464
Bixby Ridge	Small lots	Specific Plan	173
Temple Ave	Infill lots	RH	20
Crescent	Large lots	R-2	35
North end	Infill lots	R-2	16
West side	Infill lots	R-2	16
Creston	Large lots	RH	60
			926

Source: Community Development Department, December 2001

The above described available sites represent residential development sites with high probability of new housing being completed during the planning period, because the sites are already under construction, are vacant and zoned for residential development or are developed with obsolete structures in locations suitable for infill residential development. The programs described below are designed to coordinate with development opportunities and facilitate the production of new housing for all income groups, commensurate with the identified need.

In addition to the above vacant residentially zoned sites, the 2001 General Plan update of the Land Use Element includes a proposed Central Business District located at Cherry Avenue and Burnett Street. The Central Business District is envisioned to include high-density housing located in loft condominiums above commercial shops and restaurants. This project, while promising an opportunity for housing for a variety of income groups, is not included in the Available Sites Inventory because of its speculative nature and absence of an interested developer and uncertain time schedule making it unlikely to occur during the planning period.

Time Schedule: The Planning Division implements the Land Use Element Zoning program on an on-going basis most recently completing an update of the land use element in 2001. In addition, Planning Division annually completes a General Plan Status Report (November 2001).

Funding Source: The General Fund is the source of funding for the Community Development Department.

Program 2 — Infill Housing Inventory (IHI)

Action: The Redevelopment Agency has acquired land for purposes of facilitating development of affordable housing. As opportunities emerge in the future, this program will be pursued and will focus on non-senior housing needs.

Responsible Agency: The Planning Division of the Community Development Department is responsible for maintaining the site inventory and working with private developers to identify infill opportunities. The Redevelopment Agency implements the Redevelopment and Housing Implementation Plan.

Quantified Objective: The quantified objective for the 2000-2005 program period is 30 housing unit sites.

Time Schedule: The program is administered on an on-going basis. The program is coordinated with the Redevelopment and Housing Implementation Plan and funding decisions pertaining to the Redevelopment Agency's 20% set-aside fund.

Funding Source: The General Fund supports the services of the Planning Division. The General Fund and 20% set-aside fund support the work of the Redevelopment Agency staff.

Category #2: Assist in the Development of Low and Moderate Income Housing

Housing Need Summary

Cost burden or overpayment is one of the major existing housing needs that must be discussed in the Housing Element. This need is estimated by the number of *lower income households that spend more than 30% of their income on housing costs.* There are an estimated 851 lower income households 704 renters and 147 owners -- that are spending more than 30% of their income on housing costs. About 47% of all lower income owners are overpaying and 60% to 80% of all lower income renters are overpaying.

Through the Regional Housing Needs Assessment, SCAG has allocated a new housing construction need to the City that includes 55 moderate-income, 45 low-income and 55 very low-income housing units.

Goals and Policies

Goal 2

The development of the maximum number of new housing units affordable to households in the very low, low and moderate income brackets.

Goal 3

Meet the special housing needs of population groups such as the elderly; disabled; and female heads of households.

Policy 3

Implement the adopted AB1290 Redevelopment and Housing Implementation Plan.

Policy 4

Continue the implementation of working partnerships with private developers and nonprofit housing corporations to ensure the development of affordable housing.

Programs

This category of the Housing Program is intended to identify current and future actions that will assist in the development of housing for very low, low and moderate-income households. This provision of State law is complied with through two types of activities: 1) Federal and State housing subsidy programs and 2) local incentives.

Program 1 — First-Time Homebuyer Program

Action: Promoting home ownership is one of the adopted goals of the City and Redevelopment Agency. The First Time Homebuyer Program, H.E.L.P. (Home-

Ownership Equity Loan Program), provides down payment assistance to first-time low-or moderate-income homebuyers in Signal Hill. The intent of the program is to enable

individuals earning low or moderate incomes to purchase a home for which they would be unable to qualify or for which they would be unable to provide the necessary down payment without assistance.

The Agency provides financial assistance of up to $36,000 in the form of a deferred second mortgage, secured by a promissory note and a deed of trust on the property. Repayment of the second mortgage loans is deferred until the home is sold, refinanced

for more than the first trust deed, is no longer the buyer's residence, or the first mortgage is paid in full after 30 years.

The Agency's loan is an equity participation loan during its first 10 years. If the home is sold to someone who is not a H.E.L.P. qualified buyer, the principal Agency loan amount plus a declining percentage of the increase in equity is due to the Agency at the time of sale, depending on how long the home was owned. The longer the home is owned, the less equity is shared with the Agency. After 10 years, no equity is due the Agency. After 30 years, the buyer has the option of repaying the principal amount in full, or amortizing the principal amount due over 10 years with an interest payment of the prime rate plus one percent.

Responsible Agency: The staff of the Economic Development and Housing Department implement this program. The program is promoted quarterly in the City Views newsletter, on the City's web site, and in flyers and brochures distributed at public meetings, senior citizen events and at the City Hall public counter. Agency staff has also promoted the program at the City's annual all day community picnic from a booth with before and after photographs of completed rehabilitation projects.

Quantified Objective: Assistance to be provided to 10 low and moderate income households through 2005.

Time Schedule: Subject to funding availability, this program will be continuously implemented from 2000 through the year 2005.

Funding Source: Pursuant to the adopted Redevelopment and Housing Implementation Plan and any subsequent revisions, the funding source for this program is the Agency's 20% set-aside fund.

Program2 — Commercial/Residential Mixed Use Developments

Action: There are several locations within the City's boundaries which may lend themselves to creation of mixed-use developments to combine commercial and residential opportunities. Of particular interest to the City and Redevelopment Agency is the possibility of locating affordable housing, in proximity to neighborhood commercial centers. Such an arrangement would benefit both the commercial center and the residents in need of convenient shopping alternatives. The Town Center West is an example of a Commercial/Residential mixed-use development and includes a neighborhood shopping center (Food 4 Less, McDonalds, Chevron, and several retail

stores and restaurants), and an associated proposed 150 dwelling unit senior housing development. Another potential mixed-use commercial/ residential project is the Central Business District proposal approved in the 2001 Land Use Element update.

Fiscal and regulatory incentives that the City or Agency will offer to mixed use developers include fast track planning review and expedited plan check, specific plans that relax zoning standards to allow greater development intensity, City participation in seeking state and federal grants for the development of public improvements and infrastructure to support new mixed-use development, Agency participation in the assembly of sites through the use of eminent domain powers, street or alley vacations of rights-of-way and direct contributions of land or set aside lowing income housing funds to mixed use projects that include low or very low income dwellings. Additional potential funding sources include HOME funds from the Los Angeles County Community Development Commission, Low Income Housing Tax Credits and Federal Home Loan Bank's Affordable Housing Programs.

Responsible Agency: The Redevelopment Agency is responsible for implementation of the senior housing component. The Community Development Department is responsible for the planning and entitlement process associated with mixed use developments

Quantified Objective: Twenty (20) low and moderate-income housing units.

Time Schedule: The Town Center West mixed use project commercial shopping center portion was completed in 2001 and the senior housing portion is projected to be completed by 2003. The Central Business District mixed use project does not have an interested developer. Accordingly, a realistic time line cannot be provided at this time.

Funding Source: Agency's 20% set-aside fund.

Program 3 — Owner-Occupied Housing Programs

Action: Similar to the Agency assisted owner occupied housing assisted in the Pacific Coast Highway Corridor, there are several other locations within the City's boundaries which may be suitable for the construction of affordable owner-occupied units. As these opportunities present themselves, each will be evaluated as to their feasibility. One identified site suitable for an owner-occupied rehabilitation or reconstruction project is located on the east side of California Avenue adjacent to the Las Brisas Community project.

Responsible Agency: The Planning Division of the Community Development would process General Plan Amendments, Zone Changes and environmental reviews on an as needed basis. The Redevelopment Agency would provide technical assistance.

Quantified Objective: Twenty-five (25) moderate-income housing units.

Time Schedule: Developments are planned to be completed by the year 2005.

Funding Source: The General Fund supports the work of the Community Development Department. The Agency's 20% set-aside fund supports staff and owner-occupied housing programs.

Category #3: Removal of Governmental Constraints

Housing Need Summary

Key findings of the governmental constraints analysis are provided below:

> There are no governmental constraints on the maintenance, improvement or development of affordable housing. (See Technical Appendix A for analysis of constraints and resources).
>
> The City provides for a variety of housing types and has facilitated the development of affordable housing through special zoning provisions.
>
> Affordable housing developments are exempt from the City's parks and recreation, traffic and water system impact fees.

Goals and Policies

Goal 4

Continue streamlined processing procedures for residential development applications.

Goal 5

Ensure the availability of incentives for the development of affordable housing.

Policy 5

Continue to exempt affordable housing developments from the City's impact fees.

Policy 6

Continue to implement current programs and procedures.

Programs

Program 1 — Fee Exemption

Action: Affordable housing developments are exempt from park and recreation, traffic impact and water system impact fees. Sections 21.40.040, 21.44.050 and 21.48.050 of the Municipal Code state that these fees:

> "... shall not apply to new construction of residences which are sold or leased at rates affordable to very low and low income persons. To qualify for this exemption, the applicant must submit an agreement in a form

acceptable to the city attorney binding the development project to a guarantee that the assessable lot area shall remain affordable to low and very low income persons for a period of not less than twenty years, and making the city a party to the covenant such that the restriction is enforceable by the city."

Responsible Agency: The Building Department administers this program.

Quantified Objective: No quantified objective can be established for this program.

Time Schedule: The program is implemented on an on-going basis.

Funding Source: The General Fund is the source of financing for the Community Development Department.

Program 2— Streamlined Processing

Action: The Community Development Department continues to reduce paperwork and processing time for all development project applications. Inter-departmental coordination of development applications is facilitated by the relatively small size of the staff and familiarity of all staff members with each project proceeding through the application process.

Responsible Agency: Community Development Department administers this program.

Quantified Objective: No quantified objective can be established for this program.

Time Schedule: The program is implemented on an on-going basis and re-evaluated on an annual basis.

Funding Source: The General Fund is the source of financing for Community Development Department.

Category #4: Conserving Existing Affordable Housing

Housing Need Summary

Renters predominantly occupy the City's older housing stock that was built before 1970. In 1990, 73% of all the housing units built in 1969 or earlier were renter occupied. Therefore, the older stock is renter occupied to a much higher percentage than the total housing supply (55%). This would mean that many of the older single family homes (and duplexes, triplexes and four-plexes) are renter, not owner occupied.

The rehabilitation needs of multi-family structures are geographically concentrated on 32nd Street between Lemon and California Avenues and the Las Brisas apartment area on California Street between 25th Street and Burnett Street. According to the Las Brisas Neighborhood Master Plan, the "...multi-family properties are plagued by routine deferral of both short- and long-term maintenance. As a result, many of the buildings

exhibit serious building code violations, and several have been or are at risk of condemnation by the City. However, the structures appear to be sound and require only a comprehensive renovation to again provide quality housing."

Goals and Policies

Goal 6

Strive to attain a housing stock free of substandard conditions.

Goal 7

Achieve a housing supply affordable for all income groups residing in Signal Hill.

Policy 7

Continue to enforce the Uniform Housing Code to correct and prevent housing deterioration.

Policy 8

Continue to implement housing rehabilitation programs.

Policy 9

Combine rehabilitation assistance with the first time homebuyer program.

Policy 10

Use Federal, State, and local funding to contribute to making existing and new housing affordable to very low, low and moderate income households.

Policy 11

Discourage the conversion of existing apartment units to condominiums where such conversion will diminish the supply of low and moderate-income rental housing (see Signal Hill Municipal Code Chapter 20.50, entitled "Condominiums").

Programs

The current and future actions of the City which result in improving and conserving existing affordable housing include the following:

Program 1 — Neighborhood Enhancement Program

Action: The City Council stated its goal to improve the City's neighborhoods through the implementation of the Neighborhood Enhancement Program. This program, which draws upon the efforts of all departments of the City, including the Redevelopment Agency, comprehensively addresses the concerns of the residents through a number of program elements. Elements of the Neighborhood Enhancement Program include: revision of the property maintenance ordinance, implementing proactive code enforcement, conducting neighborhood meetings, continuing the graffiti abatement program, continuing the weed abatement program, conducting apartment inspections, constructing improvements to Orange Avenue, constructing neighborhood walls, developing a street tree inventory, soliciting donations for a "fix-up" program, and improving public information through presentations to schools, civic groups, and by conducting community walks.

Responsible Agency: Under the direction of the Community Development Department, all of the City's Departments are involved in the implementation of the Neighborhood Enhancement Program.

Quantified Objective: A quantified objective cannot be stated for this program.

Time Schedule: This program will be implemented from 2000 through mid- year 2005.

Funding Source: The General Fund is the source for supporting the staff work involved in implementing this program.

Program 2 — Housing Rehabilitation Program

Action: The City administers a housing rehabilitation program as described in Chart 2-1.

Responsible Agency: Community Development Department has developed information on the condition of housing by neighborhood area. The Redevelopment Agency staff administers the housing rehabilitation programs that were adopted in July 1996. The program is promoted quarterly in the City Views newsletter, on the City's web site, and in flyers and brochures distributed at public meetings, senior citizen events and at the City Hall public counter. Agency staff has also promoted the program at the City's annual all day community picnic from a booth with before and after photographs of completed rehabilitation projects.

Time schedule: This program is funded annually and will run through the 2000 – 2005 program period.

Quantified Objective: Based on past trends, 100 housing units are expected to be rehabilitated during the 2000-2005 program period by Agency programs.

Funding Source: The Redevelopment Agency's 20% set-aside fund is the funding source for the rehabilitation program.

Program 3 —Las Brisas Neighborhood Master Plan

Action: A Master Plan has been designed through a collaborative effort of the Los Angeles Community Design Center (LA/CDC) and the City. Major elements of the Master Plan include:

Remedy substandard and unsafe housing conditions.

Improve building appearance and function through renovation and improved property management.

Preserve and increase housing affordability to better serve the area's low-income households.

Foster neighborhood identity and unity through both physical strategies and community organizing.

Increase the neighborhood's access to open space, recreational opportunities, and community facilities.

The Master Plan includes two phases and provides the building blocks for a functional, integrated residential neighborhood with rehabilitated apartment units, a new community park, well defined public and private spaces, and clear pedestrian and vehicular circulation.

Responsible Agency: Three agencies have major responsibility for program implementation: City of Signal Hill, Signal Hill Redevelopment Agency and LA/CDC.

Quantified Objective: As proposed, the revitalized Las Brisas Neighborhood will feature 29 three-bedroom and 67 two-bedroom apartment units. The project's preliminary rent structure is affordable very low-income households earning between 45% and 50% of the area median income for Los Angeles County.

Chart 2-1
Description of Housing Rehabilitation Programs Adopted by Signal Hill Redevelopment Agency

1. Senior Program

Grants of up to $5,000 per grant are reserved for low and moderate-income (as defined by HUD guidelines) seniors (65+) which could be used for exterior repair as well as to address code violations.

2. First-Time Buyer Rehabilitation Grants

To encourage participants in the first-time buyer program to consider purchasing single family dwellings and improve the properties, grants of up to $3,000 per grant are provided, to perform exterior repairs such as painting and landscaping. Eligibility criteria are the same as for the first-time buyer program. Grants will serve low and moderate income households.

3. Exterior Repair/Fix Up Grants

The largest void in the former CDBG program was in lack of assistance to moderate-income homeowners who earn between 80 and 120% of median income. Grants up to $3,000 for exterior repairs and upgrades are available. The program's primary focus is to correct deferred maintenance such as painting and roof repairs.

4. Emergency Home Repairs

Occasionally, situations arise where code violations are encountered by City inspectors that present a substantial risk to health and safety of owners/occupants of residential dwellings. To provide City officials a tool to address such situations, loans are made available where there is a lack of ability to pay and the loan is a last resort to preserve the housing unit for low-income residents. In addition, it would be expected that the loan would be repaid when the house is sold. The intent of this program is to provide for emergency relief for low and moderate-income households and not merely to address deferred maintenance.

Time Schedule: The Agency and Los Angeles Community Design Center have completed an application package (including complete entitlements and plans for redevelopment of the Las Brisas) and will submit for Federal Low Income Tax Credits in spring 2003. Construction would begin within six months from the receipt of funding. The project will be completed during the five-year program period, 2000-2005.

Funding Source: Total development cost of the project has been estimated at almost $18 million. Potential sources of construction and permanent financing have been identified and include Low Income Housing Tax Credits (spring 2003), Affordable Housing Program (funding secured), Los Angeles County Development Commission (funding secured), and the Signal Hill Redevelopment Agency (funding secured). According to the Master Plan:

> "For residential acquisition and predevelopment funding, the financing structure includes loan proceeds from the Enterprise Foundation, Signal Hill Redevelopment Agency funds, and HOME funds from the Community Development Commission of Los Angeles County. Construction period sources include a conventional loan, a subsidy from the Federal Home Loan Bank's Affordable Housing Program, HOME funds from the County of Los Angeles' Community Development Commission, Redevelopment Agency funds, and equity generated through the sale of low-income
>
> housing tax credits. The financing plan for the permanent phase assumes that the construction loan and accumulated interest are paid off with a combination of permanent loan proceeds and additional investor equity."

Program 4 —Section 8 Rental Assistance

Action: To maintain affordable housing costs, the City supports rental assistance in the form of the Section 8 program. Through continued cooperation with the Los Angeles County Housing Authority, the City of Signal Hill intends to continue the use of the Section 8 rental assistance program.

Responsible Agency: The Los Angeles County Housing Authority administers the Section 8 rental assistance program.

Quantified Objective: To retain all housing units/households that are presently assisted by the Section 8 rental assistance payments program.

Time Schedule: This program will be implemented continuously during the 2000-2005 program period.

Funding Source: The U.S. Department of Housing and Urban Development is the financial resource for the Section 8 rental assistance.

Housing Need Summary

According to the Fair Housing Act of 1968, as amended, it is a violation for a housing provider to rent or sell (or refuse to rent or sell) a home to any person based upon race,

color, religion, sex, handicap, familial status or national origin. Several State and Federal laws preempt the City from enacting ordinances with regard to promoting equal housing opportunity. Therefore, the City's role in this area is to promote fair and equal housing in the implementation of housing programs. Another function of the City is to help local residents to assure that their rights are protected.

Goals and Policies

Goal 8

Achieve equal and fair housing opportunities for all residents of the City of Signal Hill.

Policy 12

Promote equal housing opportunity throughout the City.

Policy 13

Promote greater awareness of tenant and landlord rights.

Programs

Program 1 -- Fair Housing Services

Action: The City will continue to cooperate with the Fair Housing Foundation (FHF) in providing fair housing service to the residents of Signal Hill. FHF administers and implements a Fair Housing Program, providing services designed to affirmatively further the fair housing objectives of the Fair Housing Act (42 U.S.C. 3601-20), Executive Order 11063, and State and local fair housing laws, regulations, orders, and ordinances. FHF investigates allegations of housing discrimination, educates the public as to their rights under the law, and provides assistance to persons seeking information on rental housing. This program contributes to ensuring that special needs population groups have access to housing opportunities.

Responsible Agency: The Fair Housing Foundation provides the fair housing services.

Implementation Schedule: This program will be implemented on an on-going basis through the program period, 2000-2005.

Quantified Objective: A quantified objective can not be set for this program.

Funding: CDBG funds support this program.

Program 2 -- Fair Housing Booklet

Action: "Fair Housing" will be promoted in the City through the distribution of a fair housing booklet. The informational booklet will be available at City Hall, library, and other public buildings. The City also will distribute the booklet to local Realtors.

Responsible Agency: The Booklet was developed by the Fair Housing Foundation.

Implementation Schedule: The Booklet will be revised as necessary.

Quantified Objective: No quantified objective can be established for this program.

Funding Source: The General Fund supports work contracted by the Fair Housing Foundation for the implementation of this program.

Program 2 -- Information and Referral (I & R) System

Action: State and Federal agencies are primarily responsible for enforcement of fair housing laws. This program will identify all State and Federal agencies to whom local complaints or concerns can be referred.

Responsible Agency: The I & R system will be developed by the Community Development Department. The key staff person(s) to contact, in the event local residents have complaints or concerns, will be identified in news releases, newsletters and other appropriate publications.

Quantified Objective: No quantified objective can be established for this program.

Implementation Schedule: The system by which local citizens can be referred to appropriate State and Federal authorities will be developed by the third quarter of 2001.

Funding Source: The General Fund will support the staff work involved in the implementation of this program.

TECHNICAL APPENDIX A
HOUSING NEEDS, RESOURCES AND CONSTRAINTS

A. INTRODUCTION

According to Article 10.6, Section 65583 (a) of the Government Code, a housing element must contain: "An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The assessment and inventory shall include the following:

1. An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels. These existing and projected needs shall include the locality's share of the regional housing need in accordance with Section 65584.

2. An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.

3. An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment and an analysis of the relationship of zoning and public facilities and services to these sites.

4. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584.

5. An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.

6. An analysis of any special housing needs, such as those of the handicapped, elderly, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter.

7. An analysis of opportunities for energy conservation with respect to residential development.

8. An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use."

To provide the data and analysis on the factors listed above, Technical Appendix A contains the following Sections:

Section B: Data on population trends and projections.

Section C: Data on employment trends and projections.

Section D: Data on the City's share of the regional housing need.

Section E: Information regarding the City's existing housing needs such as overpaying and overcrowding.

Section F: Inventory of land suitable for residential development.

Section G: Inventory of public facilities and services.

Section H: Data and analysis on potential or actual governmental constraints such as land use controls and development impact fees.

Section I: Information on non-governmental constraints (private market factors) such as the availability of financing and land costs.

Section J: Data and analysis on special housing needs groups such as the elderly and large families.

Section K: Analysis of opportunities for energy conservation with respect to residential development.

Section L: Analysis of existing affordable housing at risk of conversion to market rate housing.

B. POPULATION TRENDS AND PROJECTIONS

Table A-1 presents the detailed data on population trends. As of Census 2000, the City's population was estimated at 9,333 persons.

Between 1970 and 2000, the City's population increased by almost 3,751 persons. The largest population increase happened in the five-year period from 1980 to 1985. The population gain coincided with the development of several condominium projects.

Since the April 1990 Census, 962 persons have been added to Signal Hill's population. The low population increase was due to limited residential construction and the loss of 261 persons residing in group quarters. The population trend data are presented in Table A-1.

Table A-1
City of Signal Hill
Population Trends - 1970 to 2000

Year	Population	Incremental Increase	Incremental % Increase	Cumulative Increase	Cumulative % Increase
1970	5,582	------	-------	------	-------
1980	5,734	152	2.7%	------	-------
1985	7,725	1,991	34.7%	2,143	38.4%
1990	8,371	646	8.4%	2,789	50.0%
1996	8,776	405	4.8%	3,194	57.9%
1998	8,992	216	2.5%	3,410	61.1%
2000	9,333	341	3.8%	3,751	67.2%

Source: 1970, 1980, 1990 and 2000 U.S. Census of Population and Housing. The 1985 estimate is from Table 1 of the 1989 Housing Element. The 1996 and 1998 estimates are from the State Department of Finance (DOF).

Table construction Castañeda & Associates.

C. *EMPLOYMENT TRENDS AND PROJECTIONS*

Signal Hill has a large and growing employment base. The petroleum, industry including oil well tools (fish tools), pipe supply, and oil well servicing companies were once a major local employer and influential force in the City. Today, retail and service related industries are the main employers. Moreover, businesses with less than five employees account for the greatest number of employment opportunities. Table A-2 displays the top 10 employers in 1990 and 2000 that reveals the trend away from petroleum and heavy industry to light manufacturing and service industries-especially retail sales.

Table A-2
Top Ten Employers
1990 & 2000

	1990	Type of Business	2000	Type of Business	Employees
1	Pacific Valves	Manufacturing	Universal Care	Medical/Admin.	624
2	General Telephone	Communications	Office Depot	Retail/Wholesale	533
3	Eastman Inc.	Office Supplies	Costco	Retail/Wholesale	288
4	Price Club	Retail/ Wholesale	Crane Co. y	Manufacturing	249
5	Petrolane Inc.	Offices	Home Depot	Retail/Wholesale	244
6	GEMCO	Retail/ Wholesale	Omniplex Wrld	Business Service	226
7	Willis Oil Tool	Oil Tool Service	Target	Retail	185
8	Hawk Industries	Manufacturing	Pac-Century	Bank Offices	122
9	Offco	Construction	Fed. Express	Delivery Service	116
10	Oil Well Serv. Co.	Oilfield Services	Jacobs/ Wolder	Engineering	108

Source: City of Signal Hill, Finance Department, 2001

Table A- 3 provides the employment growth forecast for the City through 2025. During the 25-year period, an increase of 1,969 jobs is projected. Job growth accelerates after 2010, reaching an average of about 500 jobs every five years.

Table A-3
Employment Forecast
2000 - 2025

Year	Employment
2000	10,500
2010	10,961
2015	11,442
2020	11,944
2025	12,469

Source: Gateway Cities Subregional Growth Forecast 2000 Community Development Department, January 2001

Employment induced housing need is incorporated as a factor in the regional household growth projections. This also is a local factor of significance in that plans and projects for economic development or redevelopment could influence the actual number of jobs that would be created in the future. These factors have been included in the development of SCAG's Regional Housing Needs Assessment.

D. SHARE OF REGIONAL HOUSING NEEDS

1. Housing Growth Trends

Table A-4 (on page A-6) presents the City's housing growth trends during the 30-year period from 1970 to 2000. Between 1970-2000, the City experienced a gain of almost 1,400 housing units. The average annual rate of growth was 46 housing units during the three-decade period. The City had a net increase of 127 housing units between the 1990 and 2000 Census'. Although 162 single-family housing units were added during the decade, the net increase was lower because of the loss of some housing units in buildings having five or more units.

Residential growth during the period 1990-2001 occurred in three areas: California Crown residential community located at Temple Avenue and 20th Street, Bixby Ridge located at Hathaway Avenue and Hill Street and the Hilltop Area located north of Skyline Drive between Dawson and Temple Avenues. Table A-4 summarizes the housing growth trends.

Chart A-1
Industry Definitions*

Agricultural: includes establishments primarily engaged in agricultural production, forestry, commercial fishing, hunting and trapping and related services. The classification of agricultural production covers establishments (e.g., farms, ranches, dairies, greenhouses, nurseries, orchards, and hatcheries) primarily engaged in the production of crops, plants, vines, or trees.

Mining: includes all establishments involved in the extraction of minerals, crude petroleum, and natural gas. It includes quarrying, well operations, milling, and other related activities.

Construction: includes establishments engaged in contract construction. This includes new work, additions, alterations, and repairs performed by general and special trade contractors.

Manufacturing: includes establishments, which are usually described as plants, factories, or mills, that are engaged in producing or processing non-durable or durable goods. These characteristically use power-driven machines and material-handling equipment.

Transportation and Public Utilities: includes enterprises engaged in passenger and freight transportation by surface, water, and air and warehousing and other transportation services. It also includes the communications complex of telephone, telegraph, radio, and television; and utilities providing gas, electric, and sanitary services.

Wholesale Trade: includes establishments involved in the selling of merchandise to retailers, to industrial, commercial, farm, construction contractors, or professional business users; or to other wholesalers.

Retail Trade: includes establishments involved in the selling of merchandise for personal or household consumption and rendering services incidental to the sale of goods.

Finance, Insurance, and Real Estate: includes banks, savings and loan institutions, and security and commodity brokerages, insurance agencies and carriers, real estate sales and management offices, and rental and planning agencies.

Services: includes establishments such as hotels, laundries, auto repair shops, theaters, legal services, advertising services, private schools and hospitals, and nonprofit organizations which are engaged in rendering a variety of services to individuals and businesses.

Government: includes the legislative, judicial, administrative, and regulatory activities of federal, state, local, and international governments. It also includes federal, state, and local government hospitals and education.

*Source: State of California Employment Development Division, Labor Market Information Division, The State of the State's Labor Markets – June 1999, Appendix B.

Table A-4
City of Signal Hill
Housing Growth Trends -1970 to 2000

Year	Housing	Incremental Increase	Incremental % Increase	Cumulative Increase	Cumulative % Increase
1970	2,409	------	-------	------	-------
1980	2,780	371	15.4%	------	-------
1985	3,586	806	29.0%	1,177	48.9%
1990	3,670	84	2.3%	1,261	52.3%
1996	3,770	100	2.7%	1,361	56.5%
1998	3,791	21	.6%	1,382	57.4%
2000	3,797	6	.2%	1,388	57.6%

Source: 1970, 1980, 1990 and 2000 U.S. Census of Population and Housing. The 1985 estimate is from Table 7 of the 1989 Housing Element. The 1996 and 1998 estimates are from the State Department of Finance (DOF).

Table construction by Castañeda & Associates

2. Share of Regional Housing Need

According to the State Housing Law, " . . . a locality's share of the regional housing needs includes that share of the housing needs of persons at all income levels within the area significantly affected by a jurisdiction's general plan." (Section 65584 [a]). In addition, "Each locality's share shall be determined by the appropriate councils of government consistent with the criteria" set forth by the State Department of Housing and Community Development.

The Housing Element law states that the following criteria are to be used in the allocation of regional housing needs to individual counties and cities:

Market demand for housing
Employment opportunities
Availability of suitable sites and public facilities
Commuting patterns
Type and tenure of housing need
Housing needs of farmworkers
Avoidance of further impaction on localities with relatively high proportions of lower income households

The criteria can be grouped as follows:

Market Demand -- Household growth, vacancy rates, and replacement needs
Housing Needs -- Type and tenure of housing needs, farmworker needs, and loss of assisted housing units
Jobs/Housing -- Employment opportunities, commuting patterns, site availability, public facilities
Avoidance of Impaction -- Reduction of low income concentration

The Southern California Association of Governments (SCAG) is responsible for the allocation of the region's housing construction need to cities and counties. As indicated by Table A-5, Signal Hill was allocated 260 units as its "share of the regional housing need."

Table A-5
City of Signal Hill
Share of Regional Housing Needs – 1998-2005

Income Group	Number	Percentage
Very Low	55	21%
Low	45	17%
Moderate	55	21%
Above Moderate	105	41%
Total	260	100%

Source: SCAG RHNA99 –Construction Need and Income Distributions, 1998-2005, June 2000.
Table construction by Castañeda & Associates.

E. HOUSEHOLD AND HOUSING CHARACTERISTICS

Obviously, the principal considerations of the Housing Element have the greatest importance for existing households and housing units. As of Census 2000, the City had 3,621 households and 3,797 housing units. The State housing law requires that household problems be examined with regard to excessive housing costs, too many people living in a home, and home ownership opportunities. In addition, housing characteristics need to be analyzed with respect to housing types and housing quality.

More specifically, Government Code Section 65583 (a)(2) requires that the Housing Element include an analysis of:

Level of payment compared to ability-to-pay.

General housing characteristics, including overcrowding.

Housing stock condition.

Key findings are:

Renter households to a higher degree than owners experience many of the housing needs addressed by the State housing law, such as overpaying and overcrowding. Therefore, communities having a majority of renter households also will have more housing needs than communities where owners predominate.

According to Census 2000, the City's tenure distribution is owners, 47%, renters, 53%. Between 1970 and 2000, the percentage of owners in the City has doubled.

According to the SCAG estimates, there are an estimated 1,322 households with incomes of less than 80% of the County median income – 1,011 renter and 311 owner households, respectively. This means that an estimated 38% of all the City's 3,486 households (1998 SCAG estimate) are in the lower income category (<80% of the median income).

Most of the owner households live in single family detached and attached housing units, as well as condominium buildings containing 10-19 units. The renter households reside in all the housing types with the largest number in triplex and four-plex structures and single family detached homes. In fact, almost 50% of all the single-family homes in the City are renter-occupied, as of the 1990 Census.

There are an estimated 704 lower-income renter households with housing costs exceeding 30% of their income. There is an estimated 147 lower income owner households that are in similar cost burdened conditions.

An estimated 12% or one of every eight households was overcrowded, according to the data from the 1990 Census. Eighty six percent of the overcrowded households were living in renter occupied housing units.

As of Census 2000, the City's housing supply consisted of 3,797 units. Multifamily structures of five or more units are the predominant housing type. An estimated 20.4% of the City's dwelling units are in duplex to fourplex structures, while only 8.8% are in Los Angeles County.

Between 1990 and 2000 Census', the City had a net gain of 127 housing units. 90 of these units are located in the California Crown subdivision.

The City's older housing stock that was built in 1969 or earlier is predominantly renter occupied. In 1990, 73% of all the housing units built in 1969 or earlier were renter occupied. Therefore, the older stock is renter occupied to a much high percentage that the total housing supply (53%).

An estimated 300 single-family, condominium and multi-family housing units are need of minor, moderate or major rehabilitation. In addition, an estimated four housing units are in such poor condition that they should be replaced. These estimated numbers indicate that about eight percent of the City's stock has some level of housing rehabilitation needs.

The most significant rehabilitation needs are concentrated in terms of both housing type and geographic area. The first area is located on 32nd Street between Lemon and California Avenues.

This area contains 13 multi-family structures for a total of 52 housing units.

The second "concentrated rehabilitation area" is the Las Brisas Apartments area. This area encompasses four-plex structures located on California Street, 25th Street, 25th Place, Nevada Street, and Burnett Street. There are an estimated 38 four-plex structures located in this area containing an estimated 152 housing units.

The condition of the existing housing stock reveals that the City's owner rehabilitation assistance strategy could be augmented by additional strategies to: 1) help achieve a transition of the older renter occupied single family homes to home ownership; 2) combine first time homebuyer assistance with rehabilitation assistance; 3) target a part of the Agency's housing set-aside funds to single family neighborhoods; 4) rehabilitate multi-family rental buildings by implementation of partnerships with nonprofit housing corporations; and 5) meet the needs of the "concentrated rehabilitation areas" by helping to achieve in each area the ownership and management of all the properties by a single entity.

1. Level of Payment Compared to Ability to Pay

The most serious problem confronting low-income households is paying more than they really can afford for housing. When housing costs exceed their ability to pay, other family needs are sacrificed – health care, childcare, food, insurance, transportation, for example. *The number of lower income households that spend 30% or more of their income on housing costs measures overpaying.* Owner households have more financial options than renters do, and financial assistance to owners usually is unavailable from public programs. Thus, the number of lower income renter households that are overpaying usually quantifies the size of the problem.

a. Household Income

As of January 1998, there were an estimated 3,486 households residing in Signal Hill, according to SCAG estimates. The actual household income distribution will not be known until the year 2000 census data are published. According to the SCAG estimates, however, there are an estimated 1,322 households with incomes of less than 80% of the County median income – 1,011 renter and 311 owner households, respectively. Table A-6 shows SCAG estimated household income distribution by five income groups. The income limits associated with three income groups are shown in Table A-7.

Table A-6
City of Signal Hill
Annual Household Income Distribution -- 1998

Income Group	Renter Households*	Owner Households	Total Households	Percent Distrib.
Extremely Low	255	81	336	9.6%
Very Low	233	128	361	10.4%
Low	523	102	625	17.9%
Middle	242	91	333	9.6%
Above Middle	656	1,175	1,831	52.5%
	1,909	1,577	3,486	100.0%

Note: Census 2000 estimates 1,919 renter occupied housing units. The SCAG 1998 estimate and the Census 2000 figure is nearly identical.

Source: Southern California Association of Governments, "Preliminary Existing Need – All Incomes Housing," October 1999.

Table construction by Castañeda & Associates.

Table A-7
Los Angeles County
2000 Annual Income Limits Adjusted by Household Size

Household Size (# of persons)	Extremely Low Income	Very Low Income	Low Income
1	$10,950	$18,250	$29,200
2	$12,500	$20,850	$33,350
3	$14,050	$23,450	$37,500
4	$15,650	$26,050	$41,700
5	$16,900	$28,150	$45,000
6	$18,150	$30,200	$48,350
7	$19,400	$32,300	$51,700
8	$20,650	$34,400	$55,000

Source: U.S. Department of Housing and Urban Development and State Department of Housing and Community Development, Year 2000 Income Limits, March 2000.

Table construction by Castañeda & Associates.

By way of background, the State housing law defines four income groups based on different percentages of the median income of each county. These four income groups are defined below:

Very Low	0-50% of the median income
Low	51-80% of the median income
Moderate	81-120 of the median income
Above Moderate	120%+ of the median income

The extremely low-income group noted in Tables A-6 and A-7 is defined as 0-30% of the median income. The very low-income group is defined as 31-50% median income.

b. Owner/Renter Distribution

The owner/renter household distribution is about 47%/53%, according to Census 2000. During the past three decades, the City's ownership percentage has increased. Renter households to a higher degree than owners experience many of the housing needs addressed by the State housing law, such as overpaying and overcrowding. Therefore, communities having a majority of renter households also will have more housing needs than communities where owners predominate.

c. Housing Types Occupied by Owners/Renters

The housing types occupied by owners and renters, as of 1990, are presented in Table A-8. Most of the owner households live in single family detached and attached housing units, as well as condominium buildings containing 10-19 units. The renter households reside in all the housing types with the largest in triplex and four-plex structures and single family detached homes. In fact, almost 50% of all the single-family homes in the City are renter-occupied, as of the 1990 Census.

The renter occupied single family housing units is an indicator of a need for first time homebuyer assistance. Younger families who prefer single-family homes to the less spacious apartment housing, for instance, may occupy these dwellings. Some, but certainly not all, of the younger lower income renter families may be able to purchase existing single-family homes.

d. Overpaying Estimates (Cost Burdened)

Overpaying -- housing costs in excess of ability to pay -- causes families to spend less on other necessities of life such as food, health care, and insurance. Often, to reduce housing costs, lower income families will double up and live in overcrowded conditions and/or substandard shelter. Because of these problems, the need to reduce overpaying has been addressed by public policy for more than 60 years by either developing new housing at affordable *prices* or providing rental assistance to lower income households residing in standard housing units. More recently, some or all the units in apartment buildings have been *rent restricted* in exchange for financial assistance by cities and redevelopment agencies to nonprofit housing corporations to acquire and rehabilitate the buildings.

The problem of overpaying, according to the State housing law, is estimated on the basis of the number of *lower income households that spend 30% or more* of their income on housing costs. More precisely, the need is usually quantified on the basis of lower income *renter* households that are overpaying because owner households have more financial options than renters and ongoing cost assistance to current owners is unavailable.

Table A-8
City of Signal Hill
Housing Types Occupied by Owners and Renters -- 1990

Units in Structure	Owner	Percent	Renter	Percent	Total Occup.	Vacant	Total Units	Percent of Total
1, detached	372	50.1%	371	49.9%	743	64	807	22.0%
1, attached	277	63.8%	157	36.2%	434	41	475	12.9%
2 Units	46	21.9%	164	78.1%	210	27	237	6.5%
3 or 4 Units	51	10.8%	422	89.2%	473	56	529	14.4%
5 to 9 Units	87	22.0%	309	78.0%	396	31	427	11.6%
10 to 19 Units	135	37.7%	223	62.3%	358	13	371	10.1%
20 to 49 Units	320	72.7%	120	27.3%	440	25	465	12.7%
50 Units+	114	83.2%	23	16.8%	137	2	139	3.8%
Mobilehome	0	0.0%	1	100.0%	1	0	1	0.0%
Other	125	68.3%	58	31.7%	183	36	219	6.0%
Total	1,527	45.2%	1,848	54.8%	3,375	295	3,670	100.0%

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 1, "Table H43: Tenure by Units in Structure."

Table construction by Castañeda & Associates.

Note:

Attached -- This is a 1-unit structure which has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses) double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.

Other -- This category is for any living quarters occupied as a housing unit that does not fit the previous categories. Examples that fit this category are houseboats. railroad cars, campers and vans.

Updated cost burden data are unavailable for the City. However, the data for the entire Los Angeles County area reveal that the rate of overpaying has not decreased at all since the 1990 Census. In fact, nearly two-thirds of all low-income households were cost burdened in 1995, a slight increase since the 1990 Census. For renters, almost three-fourths of low income households experienced housing cost above 30% of their income and more than three of every five were paying more than 50% of their income on monthly housing costs.

The American Housing Survey data are summarized in Tables A-9 and A-10. As shown in these tables, the percentage of very low renters overpaying increased from 82% to 86% between 1990 and 1995. Among all low-income renters, the overpaying rate increased from 71% to 73% during the two time periods. These data demonstrate that cost burdened problems have increased since 1990. This is likely to be true for the Los Angeles County area as well as the City of Signal Hill.

Because current 2000 Census overpaying estimates are unavailable, overpaying rates were computed for a sample of jurisdictions in Los Angeles County, including the entire Los Angeles County area and the cities of Long Beach, Carson and Lakewood. The average overpaying rate was about 80% among the *very low-income* renter households living in these jurisdictions. The overpaying rates ranged between 49% and 68% among the *low income* renter households living in the four communities.

To calculate an estimate of overpaying experienced by very low and low-income households, the following percentages were used:

Very low income renters	80%
Low income renters	60%
Very low and low income owners	47%

Listed below are Signal Hill's estimated numbers of very low and low-income households that are cost burdened:

	Renters	Owners
Very Low	390	98
Low	314	49

Table A-9
Los Angeles Area
Summary of Overpaying Rates by Income and Tenure -- *1990*

	Renter Households	Owner Households	All Households
Very Low			
30%+	82%	43%	73%
50%+	75%	37%	66%
All Low			
30%+	71%	42%	63%
50%+	58%	35%	52%
Above Low			
30%+	17%	19%	18%
50%+	7%	12%	10%

Source: State Department of Housing and Community Development, California's Housing Markets – 1990-1997, Statewide Housing Update – Phase II, January 1999, Table 23, page 97.

Table construction by Castañeda & Associates

Table A-10
Los Angeles Area
Summary of Overpaying Rates by Income and Tenure -- *1995*

	Renter Households	Owner Households	All Households
Very Low			
30%+	86%	47%	77%
50%+	79%	40%	70%
All Low			
30%+	73%	48%	65%
50%+	62%	41%	56%
Above Low			
30%+	9%	24%	19%
50%+	4%	14%	11%

Source: State Department of Housing and Community Development, California's Housing Markets – 1990-1997, Statewide Housing Update – Phase II, January 1999, Table 23, page 97.

Table construction by Castañeda & Associates

2. General Housing Characteristics -- Overcrowding

Overcrowding is one result of the shortage of interior living space. Overcrowding reflects the financial inability of households to buy or rent housing units having enough space for their needs. Consequently, overcrowding is more appropriately considered a household characteristic (instead of a housing structural condition). An "overcrowded" housing unit does not necessarily imply one of inadequate physical condition; rather, with fewer persons it becomes "uncrowded". Overcrowding also may be temporary phenomena since some households will move to larger housing units to meet space requirements.

The indicator most frequently used to estimate overcrowded households compares the number of persons in a housing unit to the number of rooms in that housing unit. The room count excludes bathrooms, halls, foyers, porches and half-rooms. "Overcrowding" is defined as occupied housing units with 1.01 or more persons per room. "Severe" overcrowding is measured by the number of housing units with 1.51 or more persons per room. HCD has recommended a persons per room standard of 1.01 *or more*. The City's Housing Element incorporates two measures based on the *degree of overcrowding.*

As shown in Table A-11, an estimated 12% or one of every eight households was overcrowded, according to the data from the 1990 Census. Eighty six percent of the overcrowded households were living in renter occupied housing units.

Table A-11
City of Signal Hill
Overcrowded and Severely Overcrowded Households by Tenure-1990

Persons Per Room	Owner	Percent	Renter	Percent	Total	Percent
0.5 or Less	1,169	76.6%	864	46.8%	2,033	60.2%
0.51 to 1.00	303	19.8%	637	34.5%	940	27.9%
1.01 to 1.50	*21*	*1.4%*	*136*	*7.4%*	*157*	*4.7%*
1.51 to 2.00	*23*	*1.5%*	*102*	*5.5%*	*125*	*3.7%*
2.01 or more	*11*	*0.7%*	*109*	*5.9%*	*120*	*3.6%*
Total	1,527	100.0%	1,848	100.0%	3,375	100.0%

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 1, "Table H22: Tenure by Persons Per Room."

Table construction by Castañeda & Associates

The number and location of the overcrowded housing units indicates that the City would benefit from implementation of programs that assist nonprofit housing corporations to acquire and rehabilitate existing apartment buildings. In exchange for the City/Redevelopment Agency assistance, the City/Agency could require stricter occupancy and property management standards. In addition, some overcrowded renter households could benefit from homebuyer assistance that would enable them to move to a larger home.

Overcrowding emerges when households initially move into a unit or overtime. Changes in household size and composition can lead to overcrowded conditions. If these conditions are serious enough, households can move to housing units with enough space to accommodate family changes. However, financial constraints can prevent them from moving to larger housing.

For owners, who have ties to neighborhoods, schools and local churches, moving to another home may not be considered a practical choice. Instead, they can adjust their lifestyle, or if incomes allow, make physical additions to their home. For renters, making physical changes to their apartment is not possible. Although renters have a higher mobility rate than owners, financial constraints can limit their options.

2. Condition of the Existing Housing Stock

a. Housing Supply

As of January 2000, the City's housing supply consisted of 3,802 units, according to the State Department of Finance. Census 2000 estimates a housing supply of 3,797 housing units. Multifamily structures of five or more units are the predominant housing type. Detached, single-family units now comprise one of four housing units in the total stock. Table A-12 presents the data on the composition of the housing stock.

Table A-12
City of Signal Hill
Housing Supply Characteristics — January 2000

Type of Unit	Number of Units	Percent
1 unit, detached	969	25.5%
1 unit, attached	475	12.5%
2 to 4 units	776	20.4%
5 + units	1,581	41.6%
Mobilehomes	1	--%
Total:	3,802	100.0%

Source: California Department of Finance, Demographic Research Unit, Los Angeles County Population and Housing Estimates, January 1, 2000.

Table construction by Castañeda & Associates.

The City has experienced a *net* gain of 127 housing units between the 1990 and 2000 Census'. Almost all of the added stock was single family detached structures. There was a net loss of 40 units in structures having 5+ units.

Table A-13 shows the change in the composition of the housing stock between 1990 and 2000. There was a 20% increase in the City's detached single-family housing supply. During the past decade, the additions to the housing stock have resulted in single-family homes comprising a larger share of the City's total housing stock.

Table A-13
City of Signal Hill
Change in the Composition of the Housing Stock – 1990 to 2000

Housing Type	1990	2000	Increase	Percent Increase
Single Family Detached	807	969	162	20.1%
Single Family Attached	475	475	0	0%
2 to 4 Units	766	776	10	1.3%
5 Units +	1,621	1,581	-40	-2.5%
Mobile Homes	1	1	0	0.0%
Total	3,670	3,802	132	3.6%

Source: State Department of Finance, Demographic Research Unit, Population and Housing Estimates - April 1, 1990 -- Report E-5.

State Department of Finance, Demographic Research Unit, Population and Housing Estimates - January 1, 1996 -- Report E-5.

Table construction by Castañeda & Associates.

b. Age of the Housing Stock

The current and future condition of the housing stock is directly related to the age of the City's single family homes, condominiums and apartment buildings. The proportion of the housing stock that is older than 30 years is an indicator of the current and potential magnitude of minor and major rehabilitation needs. Table A-14 indicates that as of January 2000, an estimated 46% of the City's housing stock was 30 years old or older -- that is, built in 1969 or earlier.

Renters predominantly occupy the City's housing stock that was built in 1969 or earlier. In 1990, 73% of all the housing units built in 1969 or earlier were renter occupied. Therefore, the older stock is renter occupied to a much high percentage that the total housing supply (55% in 1990). This would mean that many of the older single family homes (and duplexes, triplexes and four-plexes) are renter, not owner occupied.

Table A-14
City of Signal Hill
Age of Housing Stock by Year Built – January 2000

Year Built	Number of Units	Percent
1939 or Earlier	517	13.6%
1940 to 1949	304	8.0%
1950 to 1959	484	12.7%
1960 to 1969	430	11.3%
1970 to 1979	737	19.4%
1980 to 1984	882	23.2%
1985 to 1988	276	7.3%
1989 to March 1990	0	0.0%
April 1990 to Dec. 1999	172	4.5%
Total	3,802	100.0%

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 3, "Table H25: Year Structure Built". State Department of Finance, Demographic Research Unit, Population and Housing Estimates-January 1, 1996-Report E-5.

Table construction by Castañeda & Associates.

c. Housing Rehabilitation Needs

An estimated 300 single-family, condominium and multi-family housing units are need of minor, moderate or major rehabilitation. In addition, an estimated four housing units are in such poor condition that they should be replaced. These estimated numbers indicate that about eight percent of the City's housing stock has some level of housing rehabilitation needs.

The City's predominant single family neighborhoods are located in four areas: the northend north of the 405 Freeway, the westside bounded by the Burnett Street, Orange Avenue and the City limits; the California Crown residential community; and the southeast neighborhood bordered by 21st Street, Cherry Avenue, Temple Avenue, and Pacific Coast Highway.

In the northend, the vast majority of single family and duplex structures are in adequate condition. The neighborhood has many older housing units that date from the 1920s and 1930s. There were an estimated 30 units, including units in multi-family buildings on 32nd Street, in need of repairs such as roof replacement, painting, and corrections to minor cracks in the exterior walls and the foundations throughout the northend. These needs were not geographically concentrated; rather, they were located on various streets in the neighborhood. In this neighborhood, an estimated 58% of the single family detached homes are owner-occupied.

The westside contains single family homes, duplexes, tri-plexes; four-plexes; and a few large-unit apartment buildings. The majority of the housing units require rehabilitation and about one in five needs moderate to major rehabilitation. The Land Use Element designates this area as "Medium Density Residential" and "High Density Residential."

The southeast area has a mixture of housing types, including single family homes, small and large multifamily rental buildings and multi-story condominium developments. The housing rehabilitation needs are located primarily south of 20th Street and north of Pacific Coast Highway between Temple and Cherry Avenues. There are an estimated 53 one to four-unit buildings having rehabilitation needs. An additional four units require demolition and replacement. There are an estimated nine, multi-family apartment buildings with exterior conditions showing various levels of rehabilitation needs. These apartment buildings contain an estimated 80 housing units. One 14-unit condominium building is in need of rehabilitation.

The most significant rehabilitation needs are located in two multi-family housing areas. The first area is referred to as the Las Brisas Apartments. This area encompasses four-plex structures located on California Street and 25th Street, 25th Place, Nevada Street, and Burnett Street. There are 38 four-plex structures located in this area containing 152 housing units. There are different levels of rehabilitation needs and many structures are vacant and boarded up. The Land Use Element designates this neighborhood as "High Density Residential." The neighborhood also is located in a Redevelopment Project Area.

The second area is located on 32nd Street between Lemon and California Avenues. This area contains 13 multi-family structures for a total of 52 housing units. The Land Use Element designates this area as "High Density Residential." The individual four-plex structures are in need of various levels of rehabilitation attention.

F. INVENTORY OF LAND SUITABLE FOR RESIDENTIAL DEVELOPMENT

1. State Law Requirements

In a local housing element, the analysis of housing needs, resources and constraints must include:

> *An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment and an analysis of the relationship of zoning and public facilities and services to these sites.*

A major purpose of the inventory is to identify sites that can accommodate the City's RHNA construction need. The housing unit potential of the identified sites is compared to the City's construction need of 260 housing units to calculate whether there are "adequate" sites. The key sites comprising the residential land inventory are listed on Chart 2-2, Available Sites Inventory.

Market Conditions and Trends

Existing market conditions in late December 2001 reflect low mortgage interest rates and appreciating property values in all segments of the housing market. The greater Long Beach/ Signal Hill area lagged behind other state regions in the economic recovery that began in 1995 and continued until spring 2001. As a result property values have not appreciated as rapidly and have only returned to their pre-1991 recession values in recent months. Accordingly, economists predict that Long Beach/ Signal Hill will not experience significant devaluations in property values during the current recession. Notable Signal Hill housing trends include the 1975-1985 development of high-density condominium construction, the 1985-1990 trend toward lower density single-family development including planned neighborhood developments, and during the period 1990- 2001 planning and development of hillside view oriented housing. There is enough market demand in the area to spur development to a level necessary to accommodate the SCAG allocated need for moderate and above-moderate income housing.

Chart 2-2

Available Sites Inventory

Site	Description	Zoning	Units
TCW Senior	Large lot	Special Needs Housing	152
Hilltop	Large lots	Specific Plan	464
Bixby Ridge	Small lots	Specific Plan	173
Temple Ave	Infill lots	RH	20
Crescent	Large lots	R-2	35
North end	Infill lots	R-2	16
West side	Infill lots	R-2	16
Creston	Large lots	RH	60
			926

Source: Community Development Department, December 2001

2. Development Activity – January 1998 – June 2000

The construction need covers a 7.5-year period from January 1998 through June 2005. Consequently, development activity from 1998 to June 30, 2000 counts toward the construction need. During this two and one-half year period, 88 new housing units have been constructed. Twenty-three of the 88 units/households were assisted by the Redevelopment Agency's First-Time Homebuyer Program, a program that serves moderate-income households (80%-120% of the area median income).

As of July 1, 2000, the unmet RHNA need was 172 housing units:

Income Group	RHNA Need	Units Constructed	Unmet RHNA Need
Very Low	55	0	55
Low	45	0	45
Moderate	55	23	32
Above Moderate	105	65	40
	260	88	172

The methodology for assigning the units constructed during the period January 1998 through June 2000 to moderate (23 units) or above moderate (65 units) income is based on actual sales prices for newly constructed single-family dwellings and recorded Regulatory Agreements on file with the Signal Hill Redevelopment Agency that document 23 moderate income buyers participation in either the Signal Hill Redevelopment Agency First Time Buyer Program or California Housing Finance Authority (CHFA) First Time Buyer Program. There are no rental units among the 88 moderate or above moderate income dwellings. In 1998, the 18 single-family dwellings at the Signal Hill Village sold for less than $173,632. Qualified moderate income first time buyers could afford a monthly house payment for a 3-bedroom house not exceeding $1646. In 1999, 5 single family dwellings in East Village sold for less than $185,000. During that year, buyers who qualified for CHFA loans could afford monthly housing payment for a 3-beroom house not exceeding $1,646. Buyers of the 23 dwellings assigned to the moderate category agreed to remain owner occupants for the length of their loans or repay the loans when refinancing or selling. The 65 single-family dwellings assigned to the above moderate category are located in the Bixby Ridge Development and sold for $335,000 - $363,000 in 1999 - 2000.

3. Sites for 100 Very Low and Low Income Housing Units

In its review of the 1996 Draft Housing Element, the State HCD requested that the City identify a site or sites having a combined a total of four to five acres at a minimum density of 25 dwelling units per acre. That action would meet the sites requirement for the City's share of the regional housing need that was identified at that time (125 units).

Since HCD made its recommendation, the Planning Commission, during the course of several workshops, evaluated numerous sites for purposes of designating one or more sites at a minimum density of 25 dwelling units per acre. After detailed consideration, a site was identified in 1999 that would meet the site size and density criteria recommended by the State HCD in its letter to the City.

a. TCW Senior

The Town Center West Senior Housing (TCW Senior) site is located at Walnut Avenue and 25th Street. In April 1999, the City Council approved a Zoning Amendment, changing the designation of a vacant 4.7 acre site located at the northeast corner of Walnut Avenue and 25th Street from a Town Center West Specific Plan to a Special Purpose Housing Specific Plan. The Specific Plan amendment included full entitlements for the development of 152 units at a density of 32 dwelling units per acre. The project developer and proposed operator envisioned a development that included an assisted living component, but that operator has withdrawn from the project. The developer is

working with a new operator who's current proposed development is for 150 very low and low-income independent living dwelling units. Very-low income renters renting a one bedroom unit will pay rent not to exceed $545. Lower-income renters will pay $654 for a one bedroom unit based on currently effective median income of Los Angeles County and set forth in 25 Cal. Code of Regulations Section 6932, operative as of April 2001. These median income numbers are revised annually. The City supports the current proposal and is expediting the developers' plans through planning site plan review and building plan check. Notable development standards applicable to this project include three story, 35-foot building height, stacked-flats apartments, reduced open space requirements and only one parking space (covered or uncovered) per dwelling unit. The developer of the project projects build out in 2003. The proposed 150 unit senior housing project exceeds the 100 unit RHNA need for very-low and low income housing.

No Single-Family Dwelling Option

The City's policy when approving specific plans for residential projects is to specify the types of housing permitted in the specific plan area. Developers do not have the option to develop single family dwellings unless single family is specifically listed as a permitted use. Single family dwellings are not listed as a permitted use in the TCW Senior site. The only permitted residential project is the senior housing project.

4. Sites for 72 Moderate and Above-Moderate Housing Units

a. Hilltop

The Hilltop Area Specific Plan (Hilltop) for a 525 unit hilltop development on 130 acres of vacant land was completed in 1992 and subsequently modified in 1993 to 464 dwelling units due to the discovery of additional earthquake faults that traverse the site. The housing units approved for this site are listed below:

Housing Type	Number of Units
SFD	245
Duplex	64
MF 4-Plex	120
3 Story Condos	35
	464

As part of an agreement with the developer of this site, 1% of the sales price of each residential unit will be contributed to a "Housing Fund." The Fund will be used to finance the development of low- and moderate-income housing and first-time homebuyer assistance in other parts of the City. Other developers of the area will be required to demonstrate "Housing Element Conformity," in accordance with the mitigation measures approved as part of the Final EIR. The following mitigation measures are incorporated in the Final EIR:

"The City shall encourage the use of the Redevelopment Agency's 20 percent set-aside allocation for promotion of affordable housing opportunities within the Hilltop Specific Plan Area.

"Prior to City action on specific development proposals, the project proponent shall provide, as part of his/her project submittal, a Housing Element Conformity Analysis. This analysis shall be reviewed by the Director of Planning, who shall ensure that economically feasible and practicable methods of providing affordable housing opportunities are included in each project, or within some other project within the City, consistent with Housing Element provisions."

This site, which provides for 464 new housing units, could accommodate the need for moderate- and above-moderate income housing units. In 2000 and 2001, the City entitled 173 single family dwellings in the Hilltop Specific Plan site. Of these 83 are completed and 90 are under construction. View-oriented hilltop dwellings are above-moderate income dwellings. The developer anticipated that the entitled dwellings will be competed during 2002 – 2004 depending on market absorption rates. Planning studies and preliminary plans for remaining Hilltop areas are underway with public hearings for a 30 unit high density condominium project and a 29 single-family development tentatively scheduled for early 2002. Development standards for the hilltop include a two-story, 25-foot height limit, two or three car parking garage depending on the dwelling size, minimum 5,000 square foot lot size, and landscape standards described in the Hilltop Area Specific Plan. The developer estimates buildout of the hilltop area will occur during 2004 –2005. The 90 dwellings under construction in the hilltop area exceeds the RHNA allocation for the above moderate income group.

b. Bixby Ridge

The Bixby Ridge Specific Plan (Bixby Ridge) is located north and south of Hill Street between Temple and Hathaway Avenues. The specific plan was prepared for 173 small lot (3,000 square feet) single family dwellings on 36 acres of vacant oilfield land within the City and 15 single family dwellings on 3.2 acres of vacant land within Long Beach located on the northeast slope of Signal Hill. The site is bisected by Hill Street, bounded by Hathaway Avenue on the northeast, Hathaway and Obispo Avenues on the east, and Temple and Orizaba on the west. Entitlements for 173 Signal Hill dwellings are completed and the entire site has been graded and all public works systems completed. A total of 83 single family dwellings are completed and 90 are currently under construction. Notable development standards applicable in the Bixby Ridge Spoecific Plan include small lot subdivision standards allowing lot sizes ranging from 3,000 – 5,000 square feet, 10-foot rear yard setbacks, and 10-foot front yard setbacks. The plan also reduced standard street width right-of-way from 60-feet to 42-feet. The developer projects build-out in 2002.These dwellings are above moderate income dwellings, but the Agency's First Time Homebuyer Program may assist some moderate-income households in the Bixby Ridge project.

c. Temple Ave

The Temple Avenue site is located at the southwest corner of Temple Avenue on 20th Street and consists of two developed lots with two owners. The existing development includes a dilapidated single-family house on a 13,650 square foot lot and a similarly dilapidated meeting hall and sheds on a 25,960 square foot lot. Surrounding uses are high-density multi-story condominiums. These sites are zoned RH –residential high density and could be developed with up to 20 moderate-income dwellings assuming the maximum permissible density of 21 dwelling units per acre. Public works improvements serve all surrounding existing development and could easily be extended to accommodate development on the Temple Avenue site. The property owners have not expressed interest in redeveloping their properties, but the City believes that the property could be planned and fully entitled within a 12 – 16 week planning process and developed within the planning period.

d. Crescent

The Crescent Heights Historic District (Crescent) is a 7.5 acre vacant oil field site zoned RLM-2 bounded by Burnett Street, Walnut Avenue, 25th Street, and halfway between Gardena and Rose Avenues. Forty units could be developed at a density of eight dwelling units per acre. Existing lots are large (7,200 square feet) and existing development is characterized by dwellings with historically significant architecture. During the preparation of the General Plan land use element update in 2001, the residents requested that this neighborhood be identified as the Crescent Heights Historic District. Recently, individual developers have moved two historically significant dwellings from the City of Long Beach to this site. Property owners plan to develop two units per lot, but re-subdivision into smaller lots is unlikely due to current ownership patterns. Street and public works facilities are substandard and will have to be improved by individual developers. Build-out of this site with 35 above moderate-income dwellings is projected to occur during the 2002 – 2005 period.

d. Creston

The Creston Avenue (Creston) site consists of 7.07 acres of vacant land zoned RLM-2. It is located on both the north and south sides of Creston Avenue near Cherry Avenue. The RLM-2 zoning allows a density of 8 dwelling units per acre or two dwelling units on a 5,000 square foot lot. The Creston site could accommodate 60 moderate or above-moderate income dwellings. Public sewer, water and other infrastructure systems are available for connection to new projects in the area. The site has two owners who have expressed interest in developing their land that is adjacent to existing lower value housing and industrial uses. While entitlements are not in place it is projected that this site could develop during the 2003 –2004 period.

e. North end

North end infill lots consist of vacant or underdeveloped lots located in the RLM-2 duplex zoning district north of the 405-freeway between Olive and Falcon Avenues. Underdeveloped lots are zoned for two single-family or duplex dwellings, but are currently developed with older sometimes dilapidated/ obsolete single family dwellings. These 5,000 square foot lots could be redeveloped with new moderate-income or above moderate-income dwellings depending on the land values and surrounding uses. These lots are owned by individuals, some of whom have expressed interest in developing their properties, but a projection of when development will occur cannot be made. It is estimated that the North end could accommodate up to 16 new dwellings and that development could reasonable be completed during the planning period (200-2005). The process to develop these already subdivided sites includes site plan and design review and building plan check. Public works improvements in the North end are adequate for new development.

f. West side

The West side infill lots are located west of Orange Avenue and south of Willow Street in the RLM-2 zoning district. These lots are generally 5,000 square foot and can accommodate two single family dwellings or a duplex building. Lots are individually owned vacant or underdeveloped properties and generally lower value as compared to the North end or land values elsewhere in the city. The West side could be redeveloped with an estimated 16 moderate-income dwelling units and several property owners have expressed interest in developing their properties. The process to develop these already subdivided sites includes site plan and design review and building plan check. Existing public works improvements are adequate to accommodate new development.

Available Set Aside Funds

The Low and Moderate Income Housing Fund in 2000 contained $4,425,328. The detailed program for receipts and expenditures during the planning period shows an anticipated balance at the end of the planning period of $179,841.

Low and Moderate Income Housing Fund

	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
Beginning Fund Balance	9,024,159					
Less: Land Held for Resale	(8,435,476)					
Less: Developer Notes	(80,000)					
Available Fund Balance	8,558,683	8,421,483	1,794,800	645,896	468,920	314,815
Tax Increment	145,000	1,180,308	1,215,674	1,239,988	1,264,788	1,290,084
Use of Money & Property	171,000	136,859	71,772	25,836	18,757	12,593
County Administrative Fees	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Transfers out to Debt Service	(975,550)	(976,700)	(968,200)	(975,150)	(970,000)	(970,000)
Las Brisas Improvements	(10,000)	(1,500,000)	(1,000,000)			
Housing Devleopment TCW	(2,000,000)					
Housing Rehab Grants	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Administrative Expenses	(242,650)	(242,650)	(242,650)	(242,650)	(242,650)	(242,650)
Ending Fund Balance	3,421,483	1,794,300	645,896	468,920	314,815	179,841

Land Use Entitlement Process

The following describes the City's land use entitlement process and review procedures for a variety of types of residential projects. The review procedure and process varies with location, zoning and existing entitlements.

TCW Senior – Environmental Impact Report Completed, Specific Plan Completed, Site Plan and Design Review Completed: Remaining process – Scenario 1: Assumes developer completes project as approved; building plan check, obtain building permits – estigmated time to complete the process 6-8 weeks.
Scenario 2: Assumes developer changes plan per new operators requirements: Remaining Process – Zoning Standards Amendment, Site Plan & Design Review, Building plan check, obtain building permits – estimated time to complete process 12 - 14 weeks.

Hilltop Area – Environmental Impact Report completed, Specific Plan completed

Entitled Areas 1 & 3: Remaining process; building plan check, obtain building permits – estimated time to complete process 3-5 weeks.

Un-entitled Area 2 (Infill lots) and Area 4 (north flank): Remaining process; Site Plan Design Review, building plan check, obtain building permits – estimated time to complete process 8-12 weeks.

Bixby Ridge – All entitlements completed, building plan check completed: All building permits have been issued.

Temple Ave – Process: Environmental review 6-8 weeks and Site Plan and Design Review concurrently6-8 weeks, building plan check 6 – 8 weeks, total process 12 – 16 weeks.

Crescent – Process: Environmental review 2 weeks; Site Plan and Design Review 6 – 8 weeks, building plan check 6 – 8 weeks, total process 12 – 16 weeks.

North end – Process: Environmental review 2 weeks; Site Plan and Design Review 2-4 weeks, building plan check 6 – 8 weeks, total process 8 – 12 weeks.

West side – Process: Environmental review 2 weeks; Site Plan and Design Review 2-4 weeks, building plan check 6 – 8 weeks, total process 8 – 12 weeks.

Creston – Process: Environmental review 6-8 weeks; Site Plan and Design Review concurrently 6-8 weeks, building plan check 6 – 8 weeks, total process 12 – 16 weeks.

Review of the City's planning and permit process finds an efficient process with few unnecessary delays in plan processing. The prime constraints to the process are the environmental review process and site plan and design review process. Environmental review is a time consuming process because of public notification periods and public review and comment periods that are established by State law. Site Plan and Design Review is required on all residential development and includes a public notice and public hearing. Noticing periods for zoning matters are established by State zoning law. The City has concluded that there are no significant constraint to any of the projects and that they can be completed during the program period.

Incentives

The City has adopted into its zoning standards density bonuses and other incentives for low and very low income housing developments. A density bonus of up to ten percent above the zoned density is allowed on any residential development in any zoning district consistent with State law. In addition, low or very low income developments are exempt from payment of developer impact fees.

G. *INVENTORY OF PUBLIC FACILITIES AND SERVICES*

Future development in the City to accommodate residential development to the year 2005 would increase the demand for public facilities and services. According to recently approved environmental impact reports, planning by the service providers to meet future needs is expected to mitigate potential impacts to police, fire, water, wastewater, solid waste, electricity, natural gas, telephone and cable television. School facilities would be impacted by the cumulative development; however, school fees would be assessed against new development to fund improvements. In summary, it is estimated that there are sufficient public facilities and services to accommodate the development of 172 housing units between 2000 and 2005. As previously noted, the unmet RHNA construction need is 172 housing units which represents 4.5% of the City's current housing supply.

1. Police Protection

The Police Department has 32 sworn officers, a K-9 unit, Investigations Bureau, Traffic Enforcement and Investigations Unit, a Crime Prevention Coordinator, Dispatching Center and a full service jail. In addition to these services, the Police Department plays a strong role in emergency/disaster planning for the City. The Department's vehicle fleet consists of 19 radio equipped vehicles, including one K-9 unit, seven marked patrol vehicles, nine unmarked units, one jail van and one parking control vehicle. The Police Department currently has plans to expand office area for an Emergency Operations Center.

At the present time, there are 3.1 police officers per 1,000 population, which is based upon the Police Department's estimate of a daily service population of 45,000.

2. Fire Protection

The City of Long Beach Fire Department, under contract through the Los Angeles County Fire Department, provides fire protection services to the City. Currently the City of Long Beach Fire Department has 23 fire stations that service Long Beach and Signal Hill. There are no current plans for expansion of existing fire department facilities.

Currently firefighting capabilities of the Long Beach Fire Department include 433 uniformed personnel, 179 of who are either certified or former paramedics. The Long Beach Fire Department paramedics serve a dual role as firefighter/paramedic. The Fire Department has 72 assigned Firefighter/Paramedics operating out of the 16 fire stations. The paramedics work together with the firefighters; both are on 24-hour rotational shifts. The Fire Department currently has seven Assessment Engine Companies and one Assessment Boat Company that are equipped to handle medical emergencies with a single paramedic on board at all times. In addition, the Fire Department requires all firefighters to be certified as an Emergency Medical Technician.

Emergency Medical Services (EMS) currently represents approximately 80% of the emergency response activity for the Fire Department. The Fire Department rescue units, which are the medical transport vehicles for the Department, come from outside the City on all responses.

The Long Beach Fire Department stated (in recent EIRs) that future residential development in Signal Hill would not impact the Department, nor requires the expansion of facilities or staffing above the current levels. The Fire Department foresees no decrease in service levels with the additional population from the planned housing developments located in Signal Hill.

3. Natural Gas

The City of Long Beach Gas Department (Gas Department) has indicated that it would be able to provide natural gas service to Signal Hill's housing development projects. No significant adverse impacts to gas service are anticipated.

Implementation of future housing development projects would impact the natural gas distribution system in the area. The Gas Department has indicated that, in general, there is sufficient natural gas infrastructure in its service area to support the future housing projects, but it would be necessary to make certain localized modifications to the distribution system to accommodate the configurations of specific residential development projects.

4. Electricity

The Southern California Edison Company currently provides electricity. The Southern California Edison Company has indicated that it would be able to service future projects, but would require expansion and relocation of existing facilities. Specific facility changes cannot be determined until final plans for specific residential development projects have been submitted to SCE.

5. Water

The City of Signal Hill owns and operates the water distribution system for the entire City. The City's main source of groundwater is pumped from two City-owned wells. Approximately 1,810 acre-feet per year of groundwater is pumped from the wells, which is about 100 acre-feet short of the City's current annual water demand. A second source of water for the City is imported water from the Metropolitan Water District (MWD), which is purchased from the Central Basin Water District. At the present time, the City's groundwater water demand is met by using 80% from the City's wells and 20% from the MWD.

The City has three storage facilities with a total capacity of approximately 5.6 million gallons. Two new reservoirs of up to 2.5 million-gallon capacity have been constructed to provide adequate storage capacity to serve new development in the City. The new reservoirs will replace two of the existing storage tank facilities.

6. Wastewater

The County Sanitation Districts of Los Angeles County, District 29 currently provide sewer service. Wastewater is treated at the Long Beach Water Reclamation Plant (LBWRP), which has a design capacity of 25 mgd. Currently the LBWRP processes an average flow of 19.5 mgd.

The design capacity of the Districts' wastewater treatment facilities is based upon population forecasts adopted by the Southern California Association of Governments

(SCAG). The RHNA construction need (260 new housing units) allocated to Signal Hill is consistent with the SCAG population forecasts. The available capacity of the Districts' treatment facilities, therefore, will accommodate the approved population (and housing unit) growth identified in the regional forecasts.

7. Solid Waste

Signal Hill Disposal Company provides residential, commercial, and construction solid waste disposal services in the City of Signal Hill. Waste is transported to the Southeast Resource Recovery Facility, located at 100 Henry Ford Avenue in Long Beach. This facility receives approximately 1,750 tons of solid waste per day.

Assembly Bill 939 requires that every city and county in California implement programs to recycle, reduce at the source and compost 25% of their solid waste by 1995 and 50% by the year 2000. The City of Signal Hill approved its solid waste reduction program in 1991.

Signal Hill Disposal has indicated that the planned housing development would not adversely impact the ability of the company to service the area, and that the impact of the planned housing developments on the Southeast Resource Recovery Facility would not be significant.

H. GOVERNMENTAL CONSTRAINTS ANALYSIS

Per State law, the Housing Element must contain the following:

> "An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584.

The State law cites five potential or actual constraints, depending on individual city circumstances:

- Land use controls (Land Use Element and Zoning Ordinance)
- Building codes and their enforcement
- Site improvements
- Fees and other exactions
- Local processing and permit procedures

1. Summary

In evaluating the effect of governmental factors, particularly on the development of affordable housing, it is important to recognize that:

> The City has zoned a 4.7 acre site at a density of 32 dwelling units per acre. The City took this action following a recommendation of the State Department of Housing and Community Development.
>
> The City updated its General Plan Land Use Element and revised its high density residential land use category to allow up to 35 dwelling units per acre instead of only 30 dwelling units per acre.
>
> Affordable housing developments are exempt from three development impact fees – parks and recreation, water system and traffic.
>
> The City uses specific plans as a way to provide flexible development standards so residential development can occur on difficult to develop sites.

2. Land Use Controls

a. Land Use Element

The City's Land Use Element was updated in 2001 consistent with State HCD's recommendation that the City increase the maximum density permitted in the high density zoning districts from 30 to 35 dwellings per acre. Three residential land use densities/categories are identified in the Land Use Element: low (< 10 du/ac); medium (10-20 du/ac); and high (<35 du/ac). In the Housing Element, the City also must:

> *"Identify adequate sites which will be made available through appropriate zoning and development standards needed to facilitate and encourage the development of a variety of housing types for all income groups, including multifamily rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing."*

Chart A-2 presents a summary description of each residential land use category. Because a broad variety of housing is encouraged, the maintenance, improvement or development of housing is not constrained by the Land Use Element.

Chart A-2: Summary of Residential Land Use Categories

RESIDENTIAL LAND USE CATEGORIES	DENSITY DWELLINGS/ACRE	HOUSING TYPES PERMITTED	BUILDING HEIGHT	DEVELOPMENT STANDARDS
Low	< 10	Single family detached or attached, patio homes, zero lot line, duplexes, estates	2 stories 25/ 28 feet	Lot size 5,000 sf Specific Plan
Medium	10 – 20	Single family, attached or detached, small lot subdivisions, patio, zero lot line	2 stories 25/28 feet	Lot sizes 3,200 – 5,000 sf Specific Plan
High	< 35	Condominiums, townhomes, fourplex, zero lot line, patio homes, apartments	3 stories 35 feet	5,000 sf Specific Plan

b. Zoning Ordinance

1. Permitted Housing Types:

Chart A-3 presents the Zoning Ordinance requirements in terms of densities, housing types and development standards. The Zoning Ordinance permits residential development in four basic zoning districts, as shown on Chart A-3. In addition to the base residential districts, the City has adopted five specific plans -- Hilltop Area, California Crown, Special Purpose Housing, Signal Hill Village and Bixby Ridge.

2. Development Standards:

a) Lot Size, Coverage, Setbacks, Height

As shown in Chart A-3, the Zoning Ordinance establishes development standards for four residential zones. The key standards are listed below:

Minimum Lot Size:	5,000 to 6,000 square feet
Maximum Lot Coverage:	50%
Minimum Front Yard Setback:	10 to 20 feet
Minimum Rear Yard Setback:	5 to 15 feet
Minimum Side Yard Setback:	5 feet to 10 feet
Maximum Height:	25 feet

The development standards listed in Chart A-3 are not considered an undue constraint to the maintenance, improvement or construction of housing.

b) Parking

The single and multi-family parking standards are:

> All single family detached and attached dwellings require a minimum of two garage parking spaces per unit. Garage size varies with the number of bedrooms from 500 to 600 square feet for <4 and <5 bedroom dwellings respectively.
>
> Multi-family dwellings require a total of two stalls per unit. An additional .25 stalls per unit is required for projects of four or more units.
>
> Multi-family special needs dwellings require one or less stalls per unit.

Chart A-3: Summary of Residential Zoned Land

RESIDENTIAL ZONING	MIN LOT SIZE	ZONED ACRES	DENSITY DWELLINGS PER ACRE	POTENTIAL CAPACITY
RL – RESIDENTIAL LOW DENSITY	5,000 SF	21.5	1/5,000 SF 8 DU/AC	172 DU
RLM-1 RESIDENTIAL LOW/MEDIUM –1	6,000 SF	5.2	1/6,000 SF 7 DU/AC	36 DU
RLM-2 RESIDENTIAL LOW/MEDIUM– 2	5,000 SF	64.2	1/2,500 SF 17 DU/AC	1091 DU
RH RESIDENTIAL HIGH DENSITY	6,000 SF	60.3	2,100 SF 21 DU/AC	1260 DU
PD-2 PLANNED DEVELOPMENT	NO MINIMUM	7.4	4,356 SF 5-10 DU/AC	35 –70 DU
CR Commercial Residential	5,000 SF	3.7	21 DU/AC	77 DU
SP5 CALIFORNIA CROWN	5000 SF	19	5 DU/AC	95
SP-7 (Special Purpose Housing) AREA 1 - SEA BREEZE MANOR	NO MINIMUM	1.1	24 DU/AC	24
SP7 AREA 2 – EAST VILLAGE	NO MINIMUM	1.0	15 DU/AC	15
SP7 AREA 3 – TCW SENIOR HOUSING	NO MINIMUM	4.5	34 DU/AC	152
SP7 AREA 4 – LAS BRISAS	NO MINIUM	5.4	18 DU/AC	96
SP-8 SIGNAL HILL VILLAGE	2,100 SF	3.6	14 DU/AC	52
SP-9 BIXBY RIDGE	2,610 SF	36	6 DU/AC	173
SP-2 HILLTOP AREA 1 AREA 1B AREA 2 AREA 3 AREA 4	 5,000 SF NO MIN 5OOO SF 5,000 SF NO MIN	 Varies 130 AC	 6-8 DU/AC 30 DU/AC 6/DU/AC 6-12 DU/AC 4 DU/AC	 95 30 81 116 120 442
TOTALS:		363 AC		3720 DU

3. Building Codes

Signal Hill has adopted the 1997 Uniform Building, Housing, Plumbing, and Mechanical Codes and the 1996 Electrical Codes. The Uniform Building Code was adopted, by reference, with only minor variations. The City's codes are considered to be the minimum necessary to protect the public health, safety and welfare. The Codes, which are based on Uniform Codes, are adopted by many cities throughout southern California and do not pose a constraint to residential development.

4. Code Enforcement

The City implements a Building and Housing Code Enforcement Program. Enforcement of these codes has resulted in the repair of substandard housing and the demolition of deteriorated housing. In some cases, those cited for code violations are referred to the City's housing rehabilitation loan and grant programs. The City's proactive enforcement is not a constraint to the appropriate maintenance of the existing housing stock.

5. On- and Off-Site Improvements

Developers of residential subdivisions in Signal Hill are required to construct streets, curbs, gutters, sidewalks, sewers, water lines, street lighting and trees in the public right-of-way within and adjacent to a subdivision. These facilities are then dedicated to the City, which is responsible for maintenance.

The majority of the residential area in the City is built out. Most of the vacant housing sites and areas in Signal Hill have unique site conditions such as topography, steep slopes, petroleum extractions, and locations near or adjacent to the Alquist-Priolo Special Studies Earthquake Fault Zone. For many of these housing areas, the City has used specific plans to relax development standards for street widths, curb requirements and circulation improvements. For example, Specific Plans have been adopted for the California Crown residential community, Hilltop Area, Signal Hill Village and Bixby Ridge. In these areas required street widths are reduced, smaller lot sizes allowed, and in some areas floor area ratios, lot coverage and setbacks revised to allow more housing on less land.

6. Fees and Other Exactions

The City periodically reviews its user charges and fees for services and utilities to ensure that they are consistent with costs incurred by the City. With passage of Assembly Bill 1600, City staff examined various fee structures to ensure that fees charged are consistent with the cost of providing the respective services. Water rates, for example, were increased so that the water system is no longer subsidized from the General Fund, but rather pays its own way.

Plan check fees for Planning and Engineering applications are charged based strictly on the number of hours actually required for the respective plan checks. Building plan checks follow Uniform Building Code guidelines.

Water, traffic, and parks and recreation impacts fees have been determined based on engineering studies and cost estimates of required system improvements prorated for each development project on the basis of objective measures of future benefit and use accruing to each such project. The City has recently completed a study of water, traffic and park impact fees that recommends moderate reductions in traffic and park impact fees.

The City has adopted developer impact fees for water, traffic and parks. The current and proposed fees for a typical 2,000 square foot single family dwelling are as follows:

Developer Impact Fee	Existing Fee	Proposed Fee
Water	$7,353	$7,353
Traffic	$2,180	$711
Park	$13,840	$12,871
Total:	$23,373	$20,935

Development impact fees are indexed for inflation. The residential water connection charge is calculated on the pro rata basis of the cost of providing new water system facilities, the proportionate share of replacement water system facilities caused by new residential development projects, and the cost of obtaining additional water rights to service new residential development.

Affordable housing developments are exempt from the three impact fees listed above. Sections 21.40.040, 21.44.050 and 21.48.050 state that these fees:

> "... shall not apply to new construction of residences which are sold or leased at rates affordable to very low and low income persons. To qualify for this exemption, the applicant must submit an agreement in a form acceptable to the city attorney binding the development project to a guarantee that the assessable lot area shall remain affordable to low and very low income persons for a period of not less than twenty years, and making the city a party to the covenant such that the restriction is enforceable by the city."

The impact fees have been established after a complete study and review of needs, costs and the pro-rata shares based on the nature and scope of development. No governmental constraints exist because affordable housing is exempt from the major development impact fees. Also replacement of existing dwelling units receive credit for the demolished units.

6. Processing and Permit Procedures

The Development Services Department continues in its efforts to reduce paperwork and processing time for all development project applications. Inter-departmental coordination of development applications is facilitated by the familiarity of all staff members with each project proceeding through the application process.

Average processing time for residential projects varies based on project complexity. Residential projects that require building permits only are typically approved within two to four weeks of submittal of all required correct information. Development projects that require Planning Commission approval take an average of six weeks to reach public hearing. This time frame is highly dependent on the applicant's accurate and timely response to City staff comments.

I. NON-GOVERNMENTAL CONSTRAINTS ANALYSIS

As required by State law, this part of the Housing Element analyzes how non-governmental (or housing market) factors do or may constrain the public and private capacity to meet housing needs, particularly affordable housing needs. Per State law, the non-governmental factors that must be included in the analysis are:

Availability of financing

Price of land

Cost of construction

In addition, the analysis includes an assessment of two other important market factors – the price of single-family and condominium housing and vacancy rates prevailing in the housing market.

1. Availability of Financing

a. Access to Credit

The Housing Element must include a discussion of the availability of financing. HCD has advised cities that an understanding of the geographic areas and or groups without sufficient access to credit will help localities to design programs to address known deficiencies. The information that helps most to understand the unmet credit needs of communities is the Home Mortgage Disclosure Act or HMDA data.

The HMDA requires lenders to disclose the number, amount, and census tract location of mortgage and home improvement loan applications. The HMDA data encompasses lender activity for conventional, FHA and home improvement loans. The data identifies five types of action taken on an application for a loan. These actions are: loan originated, application approved by the lender and not accepted by the applicant, application withdrawn, file closed for incompleteness and application denied.

Access to credit overtime can be compared by the "loan denial rate". The denial rate was computed for 1994 and 1999 HMDA data on the basis of the applications that went

completely through the underwriting process because a denial could not be made on withdrawn or incomplete applications. Therefore, the denial rate was based on the number of loans denied as a percentage of loans originated + applications approved but not accepted + applications denied.

A comparison of the key loan denial rates in 1994 and 1999 is provided in Table A-15. The number of loan applications was almost twice as high in 1999 as compared to 1994. The percentage of the total loans denied was almost the same for both time periods, 1994 and 1999. In 1999, the percentage of FHA/VA and home improvement loans that were denied was higher than in 1994. A lower percentage of conventional loans were denied in 1999 than in 1994. This latter fact is significant in that conventional loans account for almost 60% of all loan applications in 1999.

Table A-15
City of Signal Hill
Summary of Key Loan Denial Rates: 1994 and 1999

Loan Type	1994	1999
FHA/VA	8.7%	16.7%
Conventional	24.8%	18.3%
Home Improvement	33.3%	52.2%
Total Percent Denied	23.3%	22.8%
Total Applications	163	316

Source: 1994 and 1999 Home Mortgage Disclosure Act MSA Aggregate Reports

Table construction by Castañeda & Associates

b. Interest Rates

According to a statistical report compiled by Mortgage News Co., and published on January 14, 2001, average mortgage interest rates on fixed and adjustable rate mortgages have *decreased* during the past six months. A summary of the average interest rates in southern California is given in the following paragraph.

The average interest rate for loans under $275,000 decreased from 7.69% to 6.62%. For loans of more than $275,000, the average interest rate decreased from 8.04% to 7.10%. The FHA/VA interest rates decreased from 8% to 7%.

Would-be homebuyers are likely to be helped by a period of stable or declining interest rates during most of 2001. This market factor will help low and moderate income households to refinance their home to lower their housing payments, obtain home improvement loans or gain financing to buy an existing or new home.

2. Price of Land

Land costs are a constraint to the production of new housing in Signal Hill. In order to bring the total new housing costs within the economic reach of low-income households, high land costs create a need for land cost writedowns.

A survey was completed of recent land sales that occurred between July 1, 2000 and December 31, 2000. Three R-1 lots were sold during this period, ranging from $29,000 to $37,500. Another residential lot/site sold for $260,000. The size of this lot/size is not known.

In addition, as of mid-January 2001, there were four lots for sale, according to Multiple Listing Service data. The four lots had list prices that converted to $10 to $15 per square foot. Thus, lot sizes of 5,000 to 6,000 square feet are likely to have per lot costs ranging from $60,000 to $72,000.

3. Cost of Construction

Construction costs include labor and materials. An indicator of construction costs is Building Valuation Data compiled by the International Conference of Building Officials:

Type I or II Apartment House	$72.50/sq. ft.
Type V Masonry Apartment	$58.50/sq. ft.
Type V Wood Frame Apartment	$51.50/sq. ft.
Type V Masonry Dwelling	$60.80/sq. ft.
Type V Wood Frame Building	$54.30/sq. ft.

Low-income households can financially support about 30%-40% of the total development costs of a new dwelling unit. All costs above this level require gap financing to pay for the total costs. Construction costs, along with many other private market factors, contribute to making new housing unaffordable to low-income households.

4. Price of Sales Housing

During the second half of 2000, 18 single-family homes were sold and 80 single family attached and condominium units were sold. Six of the 18 single-family homes sold for $300,000 or more. The balance of the 12 single-family homes had the following prices:

2 units @ less than $125,000
2 units between $125,000 and $149,999
2 units between $150,000 and $174,999
1 unit between $175,000 and $199,999
2 units between $200,000 and $224,999
2 units between $225,000 and $249,999
1 unit between $250,000 and $274,999

Eighty single-family attached and condominium units were sold between July 1, 2000 and December 31, 2000. The sales price distribution is shown below:

11 units @ less than $120,000
27 units between $120,000 and $149,999
14 units between $150,000 and $169,999
11 unit between $170,000 and $199,999
7 units between $200,000 and $219,999
10 units @ more than $220,000

The sales price data indicate that single-family attached and condominium units are more affordable than single-family homes. About 22% of the single family homes sold for prices of $150,000 or less. By comparison, almost one-half of the single-family/condominium units sold for $150,000 or less. Housing selling for less than $150,000 offers potential homeownership opportunities for some low-income households. A four-person household is considered low-income group if their annual income is less than $41,700. An income of about $40,000 is needed to afford a $150,000 home, as shown below:

$150,000 sales price times 3% downpayment = $145,500 loan amount
$968 monthly loan payment at 7% interest rate, 30-year term
$1,190 total monthly payment (loan payment + property taxes + insurance)
$3,300 monthly income required (36% of $3,300 = $1,188)

5. Vacancy Rates

A citywide evaluation of the housing market vacancy rates was accomplished as part of the Regional Housing Needs Assessment (RHNA). According to SCAG's RHNA:

> *"Healthy housing markets must include unit vacancies to enable choice, mobility and moderate cost. These 'ideal' vacancies vary for single family and multi-family housing and by geographic area. The vacancy adjustment is added to projected household growth in the RHNA calculation to ensure a healthy housing market."*

The SCAG assessment of vacancy reveals that the City's housing supply has a vacancy *surplus* of 77 units. This surplus was deducted from the construction need allocated to Signal Hill to arrive at the final need of 260 new housing units between 1998 and 2005.The vacancy calculations are presented below:

Single Family 'Ideal' Vacancies	16
Multi-Family 'Ideal' Vacancies	129
Total 'Ideal' Vacancies	145
Estimated Vacancies on January 1, 1998	239
Initial Vacancy Adjustment	-94
Additional Vacancies Needed (1998-2005)	17
Final Vacancy Adjustment	-77

The 'ideal' vacancy rates-mobility rates were: single-family, 1.2%; and multi-family, 5.3%.

J. SPECIAL HOUSING NEEDS

The City's Housing Element must include an:

> *"Analysis of any special housing needs, such as those of the handicapped, elderly, large families, farmworkers, families with female heads of household, and families and persons in need of emergency shelter."*

Key findings of the analysis of the special needs populations are presented below and on the next page.

Members of the six population groups often require housing specifically designed to meet their special needs and on-site supportive services.

Due to the small number of persons in each population group, the economies of scale may not exist to support the development of new supportive housing designed specifically to meet the special needs of one population group. As a result, special housing needs should be addressed primarily within the context of current and future affordable housing programs.

During the life of the prior Housing Element, there was a 24-unit apartment complex constructed for low income, disabled persons. This development made a significant contribution to meeting the special needs of the handicapped/disabled population.

Since the April 1990 Census, the City has experienced a group quarter population loss of 261 persons (from 279 to 18). The 1990 Census reported those 229 elderly persons 65+ years old resided in "nursing homes."

An estimated 123 elderly households are senior women living alone. Many of these women occupy single family homes and are in the older old age group. Housing maintenance and rehabilitation programs could be tailored to address the special needs of this population group. For instance, the City could set-up a cooperative program with a nonprofit such as *Christmas in April*. This nonprofit organizes volunteer labor and materials to repair the homes of low income, elderly homeowners.

Senior renters do not comprise a large proportion of all senior households or of the lower income households in need of rental assistance.

There were an estimated 307 large households, who are defined as those consisting of five or more persons. These large households accounted for about 9% of the City's total households.

About 81% of all large family households resided in renter-occupied dwellings as of the April 1990 Census.

According to data from the State Employment Development Department, there are 69 or fewer persons employed in the "agricultural" industrial classification. Based on this data, the numbers of farmworkers living in Signal Hill is anticipated to be low. Existing low-income farmworkers, if any, would qualify for the City's housing programs as well as the Section 8 rental assistance program administered by the Los Angeles County Housing Authority.

According to the 1990 Census, an estimated 1,015 households, or 31% of all households, had female heads of household. Forty-five percent or 457 of the 1,015 female householders lived alone. Twenty-seven percent or 273 of the female householders lived with their children. The needs of the female householders should be addressed within the context of the City's existing and future affordable housing programs. In addition, the Section 8 rental assistance program helps many female householders with children.

Random field surveys conducted in 1996 and 2001 revealed that there were no homeless persons living on the City's major streets, public parks, or other public grounds and buildings.

1. Handicapped

The special housing needs of the handicapped populations include independent living units with affordable housing costs; supportive housing with affordable housing costs; and housing with design features that facilitate mobility and independence.

Many disabled or handicapped persons are living on State disability income benefits that rarely exceed $620 per month. The majority of this population group has lower incomes. Many persons with physical handicaps are also elderly with infirmities due to age. The disabled population group experiences the following needs:

Often a financial inability to pay market rents and prices which causes cost burdens

Housing that is wheelchair accessible.

Housing equipped with roll-in showers, grip bars, ceiling fans with extended cords, low sinks and light switches, automatic door openers.

Housing near public transportation and stores.

Estimates of Signal Hill's persons with disabilities (PWD) are based on accepted prevalence rates. In general terms, about one of every five persons have a disability and one in 11 have a severe disability. These rates may seem high, but they include all types of disabilities affecting the young and the old. The application of the prevalence rates* to Signal Hill's population is listed below.

Signal Hill population (04-01-00)	9,333
Percent with disabilities	19.39%
Total with disabilities	*1,810*
Percent with severe disabilities	9.17%
Total with severe disabilities	*856*
Percent needing assistance with ADL	3.20%
Total needing assistance with ADL	*299*
Percent needing assistance IADL	1.70%
Total needing assistance IADL	*159*
Percent with work disabilities	6.60%
Total with work disabilities	*616*

*Source: Prevalence rates are based on *The Impact of Housing Availability, Accessibility, and Affordability on People with Disabilities*, prepared by Dennis H. Tootelian, Ph.D., and Ralph M. Gaedeke, Ph.D., College of Business Administration, California State University, Sacramento, for the State Independent Living Council, April 1999. Table construction by Castaneda & Associates.

Although the majority of disabled persons live in households, a significant proportion live in group quarters or other living arrangements. The general estimated household composition of people with disabilities is listed on the next page.

	General Population	People with Disabilities
Live alone	1.62%	21.18%
Married/spouse	51.00%	12.37%
Live with others	32.84%	25.28%
Group setting	9.99%	14.16%
Homeless	3.17%	8.17%
Other	1.38%	18.84%

The household composition of PWD differs considerably from the general population. A much higher percentage of the population with disabilities live alone or have other, undefined, housing arrangements than does the general population. Importantly, too, a much lower percentage of the PWD population was found to be married and living with a spouse.

Based on the above, about 60% of the PWD live in a household, or about 1,086 (60% of 1,810). This translates to 445 households with one or more persons with a disability (1,086 divided by average of 2.44 persons per household). The income distribution of these households is unknown.

The City has taken actions to address the physically disabled's housing needs. The Redevelopment Agency and HUD financially supported the construction of a 24-unit apartment development for very low income disabled persons. The Eucalyptus Apartments, which was sponsored by the Crippled Children's Society of Southern California, is located at the intersection of Alamitos and Gaviota Avenues. In addition, the Agency's residential rehabilitation grant program may be used for some types of accessibility improvements on existing single family homes.

2. Elderly

Elderly persons experience four main concerns:

Income: People over 65 are usually retired and living on a fixed income.

Housing: Many live alone, rent, and are cost burdened. Some elderly need appropriate supportive housing.

Transportation: Many seniors use public transit. However, a significant number of seniors have disabilities and require transit that can accommodate their disabilities.

Health Care: Because the elderly have a higher rate of illness and dependency, health care and supportive housing is important.

The demographic, income, housing and household characteristics of elderly persons are presented in Tables A-16 to A-19.

a. Number of Elderly and Frail Elderly Persons

As shown on Table A-16, there are an estimated 940 persons 60+ years old residing in Signal Hill as of April 2000. This number equates to about one of every 10 persons living in the City. Some elderly persons need supportive housing assistance if they are disabled and/or frail. Supportive housing refers to shelter plus supportive services such as in home care, paratransit, meal preparation and other similar services.

HUD has established a methodology for estimating the frail elderly population. According to this methodology, the distinction between elderly and "frail" elderly lies in functional status of the individual. Specifically, if the elderly person has one or more Limitations to Activities of Daily Living (ADL's) or Instrumental Activities to Daily the Living (IADL's), he/she needs assistance to perform daily living and is considered as "frail." The estimate of "frail elderly in need of assisted supportive housing" is based on the national age-specific rates for elderly persons with Limitations to Activities of Daily Living.

The age-specific ADLs were applied to the population estimates for the four senior age groups found in Table A-16. The frail elderly estimates are presented in Table A-17. The age-specific frail elderly rate for persons 60+ was 11.7% (total number of persons 60+ with ADLs -- 110 -- divided by total persons 60+ -- 940 -- equals 11.7%).

Table A-16
City of Signal Hill
Elderly Population by Age - April 2000

Age	Total	Percentage Distribution
60 and 62 years	118	12.6%
62 to 64 years	151	16.1%
65 to 74 years	380	40.4%
75 to 84 years	239	25.4%
85 years+	52	5.5%
Total	940	100.0%

Source: U.S. Bureau of the Census, Census 2000, Table DP-1: Profile of General Demographic Characteristics

Table construction by Castañeda & Associates.

Table A-17
City of Signal Hill: Frail Elderly Population - 2000

Age Group	Number	ADL	Frail
60-64 years	269	0.047	13
65-74 years	380	0.101	38
75-84 years	239	0.193	46
85+ years	52	0.260	13
Total	940	0.117	110

Source: Table A-16 as adjusted. The specific source for the ADLs is: 1990 U. S. Department of Housing and Urban Development, CHAS Training Manual, Chapter 11, "Estimating Non-Homeless Special Needs Populations and Homeless Special Needs Subgroups for CHAS Tables 1D and 1E." Table construction by Castañeda & Associates.

ADL refers to persons with one or more Limitations to Activities of Daily Living (ADL's) or Instrumental Activities to Daily Living (IADL's). An ADL (difficulty eating, bathing, toileting, etc. by oneself) is more limiting than an IADL (difficulty using the telephone, getting outside, shopping, and doing light housework, etc. by oneself.) Generally, someone with one ADL or two IADLs, or one IADL and one ADL, can be considered "frail".

b. Elderly Owner and Renter Households

Table A-18 reports on the age of the householder by tenure distribution for the City as of the April 1990 Census. During the Census, one person in each household was designated as the householder. This person is usually the one in whose name the home is owned, being bought or rented. If there was no such person in the household, any adult member 15 years old and over could be designated as the householder.

The elderly population is shown in two age groups: 65-74 and 75 years+. There are an estimated 381 senior households in the 65 to 75 years and 75 years+ age cohorts. The majority -- 63% -- are in the 65-74 age bracket -- 240 of the 381 households. The senior owner percentage is 68% (259 divided by 381). A large proportion of the senior owners is most probably women living alone. (Census 2000 reports that 514 households had individuals 65 years and over living in the housing unit.)

Table A-18
City of Signal Hill
Age of Householder by Tenure -1990

Age of Householder	Owner	Percent	Renter	Percent	Total
15 to 24 years	22	9.6%	208	90.4%	230
25 to 34 years	322	34.2%	619	65.8%	941
35 to 44 years	427	45.8%	506	54.2%	933
45 to 54 years	305	54.6%	254	45.4%	559
55 to 64 years	192	58.0%	139	42.0%	331
65 to 74 years	*157*	*65.4%*	*83*	*34.6%*	*240*
75 years+	*102*	*72.3%*	*39*	*27.7%*	*141*
Total	1,527	45.2%	1,848	54.8%	3,375

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 1, "Table H12:Tenure by Age of Householder."

Table construction by Castañeda & Associates.

e. Elderly Household Income Distribution

Table A-19 reports on the household income distribution of senior households in two age groups. The seniors 75 years or older have the lowest annual incomes -- 54% had a household income of less than $15,000. By comparison, only 23% of the seniors 65-74 years old had incomes of less than $15,000 per year. The overpaying rate would be expected to be high among the senior renters having annual incomes of less than $15,000.

Table A-19
City of Signal Hill
Elderly Household Income Distribution
By Age of Householder - 1990

Income	65-74	Percent	75+	Percent	Total	Percent
$5,000	24	10.0%	0	0.0%	24	6.3%
$5,000 to $9,999	18	7.7%	36	25.2%	54	14.2%
$10,000 to $14,999	13	5.4%	39	28.6%	52	13.6%
$15,000 to $24,999	50	20.8%	28	19.7%	78	20.5%
$25,000 to $34,999	51	21.7%	11	7.5%	62	16.3%
$35,000 to $49,999	20	8.1%	17	12.2%	37	9.7%
$50,000 to $74,999	11	4.5%	10	6.8%	21	5.5%
$75,000 to $99,999	20	8.1%	0	0.0%	20	5.2%
$100,000 or more	33	13.6%	0	0.0%	33	8.7%
Total	240	100.0%	141	100.0%	381	100.0%

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 3, "Age of Householder by Household Income in 1989."

Table construction by Castañeda & Associates.

3. Large Families

Large families consist of five or more persons. Lower income, large households experience a need for three or four bedroom units at affordable housing costs. Large family renter households particularly experience this need.

In 1990, Signal Hill had an estimated 3,375 total households. There were an estimated 307 large households, which are defined as those consisting of five or more persons. These large households accounted for about 9% of the City's total households as indicated by the data in Table A-20. About 81% of all large family households resided in renter-occupied dwellings as of the April 1990 Census.

At least 45% of the large family renter households are in the lower income category based on the citywide percentage. The numerical estimate would be 138. Data are unavailable on the overpaying rates of large renter families living in Signal Hill. In Los Angeles County, Lakewood, Long Beach and Carson, the overpaying rates of *very low* income, large family renter households ranged from 77% (Long Beach) to 93% (all of Los Angeles County). The overpaying rates of *low income*, large family renter households ranged from 26% (Long Beach) to 53% (Lakewood). Thus, about 70% or 100 large family households in the City are estimated to be overpaying.

Table A-20
City of Signal Hill
Number of Households
By Household Size and Tenure -1990

Number of Persons	Owner	Percent	Renter	Percent	Total	Percent
1 person	524	34.3%	511	27.7%	1,035	30.7%
2 persons	673	44.1%	562	30.4%	1,235	36.6%
3 persons	184	12.0%	303	16.4%	487	14.4%
4 persons	88	5.8%	223	12.1%	311	9.2%
5 persons	*32*	*2.1%*	*111*	*6.0%*	*143*	*4.2%*
6 persons	*15*	*1.0%*	*63*	*3.4%*	*78*	*2.3%*
7 persons	*11*	*0.7%*	*75*	*4.1%*	*86*	*2.6%*
Total	1,527	100.0%	1,848	100.0%	3,375	100.0%

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 1, "Table H18: Tenure by Persons in Unit."

Table construction by Castañeda & Associates.

Large family households may receive first-time homebuyer's assistance for the purchase of 3, 4 or more bedroom homes. In addition, Signal Hill Village increased the number affordable single-family homes available for larger households.

4. Farmworkers

Families with persons employed in “agriculture” have been included in the housing need discussion pertaining to existing households (i.e., overpaying, overcrowded, substandard housing and the other need categories).

Their low wages and the seasonal nature of many agriculture jobs cause the special needs of farmworkers. There are an estimated 69 jobs located in Signal Hill in the "agriculture" industry, according to the State Employment Development Department. This employment classification includes establishments primarily engaged in agricultural production, forestry, commercial fishing, hunting and trapping and related services. The classification of agricultural production covers establishments (e.g., farms, ranches, dairies, greenhouses, nurseries, orchards, and hatcheries) primarily engaged in the production of crops, plants, vines, or trees. The precise activities of persons holding agricultural jobs in Signal Hill are not known.

Persons who both live and work in Signal Hill fill some of the "agricultural" jobs. The "farmworker" needs are discussed with the context of the current needs such as overpaying and overcrowding. The farmworker housing need is estimated to be nominal and can be adequately addressed by the City's housing affordability programs.

5. Female Householders

The housing needs of households headed by females include:

> Female householders typically have lower incomes than two-person households do. In today's economy, most householders have two employed adults. Due to lower income, some female householder's would need greater access to affordable housing.
>
> Many employed female householders also must arrange for child-care services, often an expensive service.
>
> Due to age and physical health status, some senior women living alone may need help with the maintenance of their existing property.
>
> Due to work history and income status, some female householders may need flexible underwriting criteria for mortgage loans.

According to the 1990 Census, an estimated 1,015 households had female heads of household. Forty-five percent or 457 of the 1,015 female householders lived alone, as indicated by Table A-21. (Based on previously reported data, it can be estimated that about one of every four women living alone is elderly.) Twenty-seven percent or 273 of the female householders lived with their children. The needs of the female householders should be addressed within the context of the City's affordable housing programs. In addition, the Section 8 rental assistance program can help low income, female householders with children.

Table A-21
City of Signal Hill
Household and Family Type Distribution - 1990

Household Type	Number	Percent
Husband/Wife Family, without children	721	21.5%
Male Householder, living alone	578	17.1%
Husband/Wife Family, with children	530	15.7%
Female Householder, living alone	457	13.5%
Male Householder, living with other adults	327	9.7%
Female Householder, no husband, with children	273	8.1%
Female Householder, living with other adults	150	4.4%
Female Householder, no husband, without children	135	4.0%
Male Householder, no wife, without children	106	3.1%
Male Householder, no wife, with children	98	2.9%
Total	3,375	100.0%

Source: State Census Data Center, 1990 Census of Population and Housing, Summary Tape File 1, "Table P16: Household Size and Household Type."

Table construction by Castañeda & Associates.

6. Families and Persons in Need of Emergency Shelter

a. Background

The Housing Element law was amended in 1984 to require an analysis of families and persons in need of emergency shelter, and to allow cities to identify sites suitable for emergency shelters and transitional housing. In 1986, the site designation option became a requirement, effective January 1, 1988. The 1986 amendment required an "...identification of adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate the development of ... emergency shelters and transitional housing."

b. Nature of Homelessness and Definitions of Emergency Shelters and Transitional Housing

Officially, a family or person is considered *homeless* when they lack a fixed and regular nighttime residence or have a primary nighttime residence that is a supervised publicly or privately operated shelter designated for providing temporary living accommodations or is residing in a public or private place not designated for, or ordinarily used, as a regular sleeping accommodation for human beings.

Persons who need emergency shelter or transitional housing are either homeless or about to be homeless. They could be spending nights in cars, dumpsters, parks, sidewalks, alleys, parking ramps, door stoops, stairwells, backyards, vacant homes, abandoned buildings, and garages. Depending on their life circumstances, they could be either in need of emergency shelter or transitional housing. The State HCD defines these temporary housing accommodations as:

> "An *emergency shelter* provides an immediate short-term solution to homelessness and involves limited supplemental services. Shelter is provided for a short period. The goal of *transitional housing*, however, is to remove the basis of homelessness (i.e., lack of sufficient income for self-support). Shelter is provided for an extended period of time (perhaps as long as 18 months) and generally includes integration with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a permanent income and housing. Emergency shelter providers, in some cases, provide assistance programs as well as shelter." [emphasis added]*

c. Needs Assessment

Key purposes of the special needs analysis, then, are to: 1) estimate the number of homeless persons and families; 2) estimate the need for emergency shelter and transitional housing; and 3) compare the need to existing emergency shelter and transitional housing sites.

d. Homeless Services and Facilities Inventory

For purposes of this section of the Housing Element, random field surveys were completed in various parts of the City to estimate visible homeless persons. The survey dates included June 11, June 20 and July 6, 1996 and January 11 and February 9, 2001. The surveys encompassed Reservoir, Signal Hill and Hillbrook Parks, Town Center East, West and North, and the vacant oilfield areas in vicinity of the hilltop and the I-405 freeway. On the survey dates, which were made during daylight hours, no homeless persons were observed.

In the event that homeless persons and families become known to the City, the City's Crisis Intervention Program provides referrals to area agencies that offer an array of facilities and services. There are numerous agencies providing services to homeless persons and families. An inventory is provided in Chart A-4 of existing services located in the vicinity of Signal Hill.

Chart A-4
City of Signal Hill
Inventory of Homeless Resources and Services

Resource	Address	Services
New Image Emergency Shelter	21 Linden Avenue Suite C Long Beach, CA 90802	Emergency food, shelter services, & referrals; financial rental assistance to homeless families with children & AIDS/HIV infected persons including emergency hotel or motel and restaurant vouchering; comprehensive case management services; affordable housing assistance; outreach & referral services.
Catholic Charities	123 E. 14th Street Long Beach, CA 90029	Referrals to the family shelter, food, professional counseling, transportation, AIDS services, assist with clothing, support groups
Christian Outreach Appeal	515 E. 3rd Street Long Beach, CA 90802	Bathroom, shower, phone, mail, lockers, hot meals
Disabled Resources Center	2750 E. Spring Street Suite 100 Long Beach, CA 90806	Independent Living Center provides search assistance, benefits counseling and advocacy, attendant registry, peer counseling, independent living skills training, emergency services for homeless.
Family Shelters for The Homeless	123 E. 14th Street Long Beach, CA 98013	Offers services to remove the pressure of homelessness for families, couples, senior citizens and disabled persons; while assisting these homeless persons through casework support for a return to independent living as quickly and permanently as possible.

Lutheran Social Services Long Beach	1611 Pine Avenue Long Beach, CA 90813	Food and clothing as a part of case plan. Educational programs on a variety of topics: gang and substance abuse prevention, health & nutrition education.
Mental Health Assn.	400 E. 5th Street Suite A Long Beach, CA 90802	Serves homeless people with mental illnesses in Long Beach with street outreach and a drop-in center. At the center, members receive showers, clean clothes, a safe haven from the streets and assistance in finding housing, financial, and medical help.
Salvation Army	2158 Pacific Ave. Long Beach, CA 90806	Assist low income families, senior citizens and disabled persons with emergency groceries.
Travelers Aid Society	947 E. 4th Street Long Beach, CA 90802	Assistance & referral services for travelers experiencing crisis situations, including homeless persons, runaways and people who have been in the Long Beach area for less than 6 months. Counseling and/or help with food, shelter and transportation.

7. Sites for Homeless Shelters and Transitional Housing

a. Criteria for Adequate Sites

According to HCD*:

> "An adequate site (or adequate existing structure) is located within reasonable access to public agencies and transportation services, and will not require unusually high site development costs. Public services and facilities are available to the site; the General Plan designation and site zoning permit the development of, conversion to, or use of, a shelter or transitional housing without undue special regulatory approval; and parking requirements/fire regulations/design standards will not preclude use of the site.

"The identified site (or sites) should be available and officially designated and publicized (for example, in the housing element) for this use. Alternatively, the locality could designate certain areas where shelters or transitional housing are permitted.

"Any of the following could meet the adequate sites requirement for a need of no more than 10 to 20 persons: apartments, mobilehomes, units in a single-room occupancy structure (SRO), a large single-family unit, church facilities, convertible commercial or other multi-use facilities, etc.

"For a need greater than 20 persons, one or more of the following strategies would satisfy the site requirement: a program to help increase the capacity of existing shelters; identification of suitable structures such as warehouses, schools, or hotels that could be used as, or converted to, shelters; or identification of specific sites which have the potential for shelter or transitional housing development during the planning period of the housing element.

"Any zoning classification which allows the siting of a shelter or transitional housing project, and does not impede the development of the site, or the conversion or use of an existing structure, is appropriate. The preferred alternative would be to include emergency shelters and transitional housing as permitted uses in one or more zones, e.g., larger projects in multi-family, commercial or public zones, or small group homes in single-family zones. A locality might also include these uses as conditional uses in one or more zones, provided that the project is subject to limited discretionary approval with conditions that are standardized, objective, and no more restrictive than those of similar uses."

*State Department of Housing and Community Development, Shelter for the Homeless: Housing Element Requirements, October 1989.

b. Existing Regulations and Sites

The City's zoning ordinance currently permits these facilities as "care facilities" in the CO commercial office, CG commercial general, CR commercial residential, and RH residential high-density zoning district subject to approval of a conditional use permit. Alcohol and drug abuse treatment facilities are permitted in the CO commercial office zone with a conditional use permit. In addition, in the Pacific Coast Highway Specific Plan two areas are identified as "opportunity areas" where the City may approve any use subject to a conditional use permit. Examples of transitional residential facilities that have operated in the City include Sara Center a home for battered women and an aids hospice.

Sites for emergency shelter and/or transitional housing are available in existing and proposed structures located in the City of Signal Hill. These structures are listed below:

Signal Hill Community Center

Las Brisas Apartments Community Center (proposed)

Town Center West Senior Housing (proposed)

Signal Hill Church

Calvary Light Chapel

Alamitos Sportsman's Lodge

K. OPPORTUNITIES FOR ENERGY CONSERVATION

The Housing Element must include:

> "An analysis of opportunities for energy conservation with respect to residential development."

An analysis of opportunities for energy conservation with respect to residential development is required by Section 65583(a)(7) of the Government Code. According to the HCD:

> "The purpose of this analysis is to ensure that the locality has to considered how energy conservation can be achieved in residential development and how energy conservation requirements may contribute to reducing overall development costs and therefore, the supply and affordability of units." (State Department of Housing and Community Development, Housing Element Questions and Answers, September 2000.)

The City's Zoning Ordinance requires compliance with State Energy Efficiency Standards for residential and nonresidential buildings (Government Code Title 24, Part 6.

Following are examples cited by the State HCD of local policies, plans, and development standards that have been successful in reducing energy costs of consumption:

> Promotion of compact infill development.
>
> The active, constructive enforcement of existing state residential energy conservation standards.
>
> Standards for street widths, landscaping of streets and parking lots to reduce heat loss or provide shade.
>
> Standards for energy efficient retrofits to be met prior to resale of homes."

The State Office of Planning and Research (OPR) has offered the following advice on this code requirement:

> Opportunities in the design and construction of individual units.
>
> Opportunities in the design of subdivisions.
>
> Assessment of the effect of energy conservation measures on the cost of housing in the long run.

Proximity of proposed residential development to employment centers, school and other services and availability of transit services.

L. AT-RISK HOUSING ASSESSMENT

1. Introduction

According to Section 65583(a)(8) of the Government Code a local housing element must include the following:

> "An analysis of existing assisted housing developments that are eligible to change to non-low-income housing uses *during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use*. "Assisted housing developments", for the purpose of this section, shall mean *multi-family rental housing* that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multi-family revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multi-family rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916. (*Emphasis added*)

The following components, if appropriate and necessary, are required to be included in the Housing Element analysis:

Inventory of units at-risk of losing use restrictions.

Cost analysis of preserving at-risk units versus replacing them.

Potential preservation financing sources.

Number of at-risk projects/units to be preserved.

Efforts to preserve units at-risk of losing use restrictions.

Nonprofit entities capable of acquiring and managing at-risk projects.

2. Inventory of Existing Assisted Housing Developments

As indicated above, the Housing Element must include, if appropriate, an analysis of existing assisted housing developments that are eligible to change from low -income housing uses between 2000-2010 due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

There are no Federal, State or local low-income rental developments at risk of converting to non-low income housing uses. The State Department of Housing and Community Development has previously accepted the City's findings in this regard.

In 1997, Eucalyptus Gardens was constructed, a 24-unit development designed for disabled persons. Federal assistance to the project was provided in the form of a Section 811 capital grant. In addition, the project is owned by a nonprofit organization. The restrictions placed by the Federal assistance mean that the housing development cannot be converted to market rate housing between 2000-2010.

The City's Redevelopment Agency also provided $1 million financial assistance to the development by contributing land to the project.

TECHNICAL APPENDIX B
HOUSING ELEMENT PROGRESS REPORT

A. INTRODUCTION

Section 65588(a) of the Government Code requires that the City review the prior Housing Element to evaluate:

> "*The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.*" (Section 65588[a][1])
>
> The review and revision should include a description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the prior element.
>
> "*The effectiveness of the housing element in attainment of the community housing goals and objectives.*" (Section 65588[a][2])
>
> The review and revision should include a comparison of the actual results of the earlier element with its goals, objectives, policies and programs. The results should be quantified where possible (e.g., rehabilitation results), but may be qualitative where necessary (e.g., mitigation of government constraints).
>
> "*The progress of the city ... in implementation of the housing element.*" (Section 65583[a][3])
>
> The review and revision should include an analysis of the significant differences between what was projected or planned in the earlier element and what was achieved.

B. APPROPRIATENESS OF THE CITY'S HOUSING ELEMENT GOALS, OBJECTIVES, AND POLICIES

The review and revision should include a description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the prior element. The following definitions, developed by HCD, provide guidance on the meanings of these terms:

> *"Goals are general statements of purpose. Housing element goals will indicate the general direction that the jurisdiction intends to take with respect to its housing problems. While reflecting local community values, the goals should be consistent with the legislative findings (Section 65580) and legislative intent (Section 65581) of Article 10.6 and other expressions of state housing goals contained in the housing element law. Goals may extend beyond the time frame of a given housing element.*
>
> *Policies provide a link between housing goals and programs; they guide and shape actions taken to meet housing objectives.*

> *Quantified objectives are the maximum actual numbers of housing units that the jurisdiction projects can be constructed, rehabilitated, conserved and preserved over a five-year time frame. In order to more realistically plan for the implementation of housing programs, it is useful for localities to establish objectives for each housing program which will be implemented during the time frame of the element. Objectives may therefore be short-term in outlook compared to community's goals." (emphasis added)*

The State housing goal is: "*The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.*" To contribute to the attainment of the State housing goal, the prior Housing Element contained six goals and 28 policy statements. Some of the policy statements contained quantified objectives.

The 2000-2005 Housing Element includes revised goals, objectives and policies. A review of the results of the prior element indicate that the revisions are necessary for the following reasons:

> The City Council and Redevelopment Agency in 1994 and 1999 adopted a five-year housing strategy that identifies specific projects and objectives based on known funding levels.
>
> The City has adopted new housing programs and revised existing programs since adoption of the prior element.
>
> The prior element set objectives equal to the housing need; State law allows cities to establish objectives that do not equal the housing needs due to the lack of resources.
>
> The City has re-zoned a 4.7 acre site at a density of 32 dwelling units per acre. This action was taken on recommendation of the State Department of Housing and Community Development.
>
> The goals, objectives and policies of the new element correspond to the State mandated requirements as explained later in this section.

Section 65583 (b) of the Government Code requires that a housing element include:

> *"A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing."*

State housing law identifies six specific housing *need* categories that must be included in the City's housing program:

Providing adequate sites to achieve a variety and diversity of housing.

Assisting in the development of affordable housing.

Removing governmental constraints if necessary.

Conserving the existing stock of affordable housing.

Promoting equal housing opportunity.

Preserving assisted rental housing at risk of conversion to market rate housing.

The City does not have any assisted housing at risk of conversion to market rate housing.

The new Housing Element has incorporated goals, policies and objectives that correspond to each of the State mandated categories:

Conservation of Existing Affordable Housing (maintenance, improvement and preservation)

Adequate Housing Sites

Assist in the Development of Adequate Housing

Removal of Governmental Constraints

Promote Equal Housing Opportunities

C. EFFECTIVENESS OF THE HOUSING ELEMENT IN ATTAINMENT OF HOUSING GOALS AND OBJECTIVES

HCD indicates that the review and revision should include a comparison of the actual results of the earlier element with its goals, objectives, policies and programs. The results should be quantified where possible (e.g., rehabilitation results), but may be qualitative where necessary (e.g., mitigation of government constraints). This part of the Progress Report presents a discussion of the effectiveness in meeting state objectives.

1. Quantified Objectives

The 1989 Housing Element was reviewed to identify the quantified objectives that were stated in the Element. The objectives are listed below:

Strive for the construction of 419 dwelling units by 1994.

Twenty percent of the 5-year goal should be for very low-income groups (N=84 housing units) by 1994.

Twenty two percent of the 5-year goal should be for low-income groups (N=92 housing units) by 1994.

Assist 145 households per year and 722 total households needing housing assistance, or having special housing needs, by 1994.

Strive for the conservation and rehabilitation of 50 housing units by 1994.

Replace dilapidated units that may be demolished, as well as units that will become dilapidated, by 1994.

Assist 20 additional households through the Section 8 rental assistance program by 1994.

Add 10 affordable density bonus units by 1994.

2. Effectiveness

The planning period for the prior element was extended to encompass the period from mid-year 1989 to mid-year 2005. In effect, the City had an additional six years added to the prior planning period. Effectiveness, therefore, can be measured in terms of accomplishments through June 2000. The new Housing Element includes a program covering the 2000-2005 program period.

Strive for the construction of 419 dwelling units by 1994

Between 1989 and December 1999, an estimated 132 housing units were added to the housing supply. A total of 172 housing units were constructed but 40 units were lost from the inventory. Although progress was made in attaining rate quantified objective, the objective was too ambitious given the state of the economy in the early 1990s and the effective demand for housing in Signal Hill.

Twenty percent of the 5-year goal should be for very low income groups (N=84 housing units) by 1994

Twenty-four very-low income housing units were constructed in 1997. This number equaled 18% of the total housing stock added during the life of the prior Housing Element. Therefore, significant progress was made toward achievement of the quantified objective and fair share housing need allocated to the City by SCAG.

Twenty two percent of the 5-year goal should be for low income groups (N=92 housing units) by 1994

The low-income housing need allocated to the City was 101 housing units. The quantified objective of the prior element was to meet the entire regional share need. The City approved a General Plan Amendment/Zone Change for the Pacific Coast Highway Corridor Affordable Housing Program. The purpose of this program was to facilitate the development of 143 affordable housing units.

Assist 145 households per year and 722 total households needing housing assistance, or having special housing needs, by 1994

This objective proposed assistance to 722 households with down payment assistance, rental security deposits, housing vouchers and other programs. An estimated 98 households were assisted by the City and Redevelopment Agency's housing programs. The individual programs are listed below and on the next page:

First Time Homebuyer Assistance	23 households
Housing Rehabilitation	48 households
Section 8 Rental Assistance	3 households
Mortgage Credit Certificates	unknown
Special Needs Housing	24 households

The prior element's quantified objective was too ambitious in light of the resources available to address unmet housing needs and the depth of housing assistance needed to assist very low and low income households. Since adoption of the prior element, the City/Redevelopment Agency have completed an "affordable housing gap" analysis in order to estimate the amount of financial resources need to address the community housing needs. This data was used to structure a Housing Strategy for the Agency and to establish objectives in light of specific projects and funding amounts.

Strive for the conservation and rehabilitation of 50 housing units by 1994

The City has made significant progress toward attainment of this objective. Since adoption of the prior element, an estimated 70 rehabilitation grants have been approved, an average of seven per year.

The CDBG rehabilitation program was replaced by a program funded by the Agency's housing set-aside fund.

Replace dilapidated units that may be demolished, as well as units that will become dilapidated, by 1994

The City also has made significant progress in attaining the objectives pertaining to demolishing older, deteriorated structures and replacement with new housing. The City acquired the land for the Eucalyptus Apartments and cleared off a dilapidated apartment building. The Signal Hill Village also involved the clearance of dilapidated structures.

Assist 20 additional households through the Section 8 rental assistance program by 1994

As of mid-year 1996, the Los Angeles County Housing Authority reports that three very low-income households are obtaining Section 8 rental assistance. The Housing Authority staff indicated that the objective of 20 additional households could not be attained because most needy households within the vicinity of Signal Hill gravitate to the

Long Beach Housing Authority, which is more convenient for area residents than the Los Angeles County program.

Add 10 affordable density bonus units by 1994

The City adopted provisions for density bonuses and incorporated these provisions in the Zoning Ordinance. Since adoption of the prior element, no one has applied for the affordable density bonus units. The City will continue to comply with the State density bonus law.

D. PROGRESS TOWARD IMPLEMENTATION OF THE CITY'S HOUSING ELEMENT

The review and revision should include an analysis of the significant differences between what was projected or planned in the earlier element and what was achieved. The following Attachment A presents a discussion of the City's progress toward implementation of the 40 programs included in the prior element. As indicated in the discussion, the City has made substantial progress in implementing each of the programs.

ATTACHMENT A

PROGRESS REPORT ON IMPLEMENTATION OF ACTION PROGRAMS

1. *Ranking of deteriorated and vacant properties as potential sites for low and moderate-income units.*

   By the date of revision of the Housing Element in 1989, an inventory of potential housing sites had been completed; however, since no very-low to moderate-income units were constructed and some previously-vacant sites developed, an updated inventory is included in revision to the Housing Element.

2. *Continue to review the appropriateness of issuing bonds for low-interest rehab loans and/or low interest mortgage loans.*

   The Housing Strategy completed by Keyser-Marston Associates on behalf of the City did not include a recommendation of bonded indebtedness. Given the relatively small number of potential beneficiaries in a City of less than 4,000 housing units, a bond issue of an appropriate magnitude would not justify the underwriting expense. No further consideration of this option is planned.

3. *Continue density bonus and/or combination of incentives to encourage reservation of 25% of newly constructed units for low and moderate-income households.*

   This program was incorporated into the Signal Hill Zoning Ordinance. In the late 1980's, inflated land prices and the profit potential on market-rate housing development rendered such incentives ineffective. The subsequent downturn in the housing market after 1990, accompanied by the collapse of lending for new development, eliminated the potential for new residential construction that might have exploited the density bonus incentive. Consequently, no affordable housing units were generated via this ordinance provision.

   The City will continue to comply with the State density bonus law. The Housing Element update will include additional programs to facilitate the development of affordable housing.

4. *Reduce impacts on the rental market by enforcing ordinance restricting number of condominium conversions annually to a number equal to that of new rental units constructed.*

   Ordinance restrictions on conversion of rental units to condominium ownership remain in effect; however, market incentives for profitable condominium conversions dissipated in the early 1980's. Conversions are no longer a consideration in efforts to retain affordable housing.

5. *Revision of Zoning and Building Ordinances to: eliminate unnecessary restrictions; encourage development on nonconforming lots; encourage cluster development, efficient land utilization, and lower infrastructure costs; encourage mixed-use development to integrate jobs and housing.*
   The intent of the suggested revisions was to reduce the cost of housing development in Signal Hill, thereby enhancing affordability.

   Signal Hill adopts the Uniform Building Code, by reference, with only minor variations. Triennial revisions to the Uniform Building Code since the adoption of

the 1986 Housing Element have generally increased the cost of compliance, and hence, the cost of new construction. Recent Attorney General opinions and case law do not support modification of the Uniform Building Code at the local level. Accordingly, this attempt at reducing development costs is infeasible.

Encouraging development on nonconforming lots has not provided opportunities for affordable housing. Nonconforming lots, those with less frontage or area than currently required, tend to be concentrated in the area south of Willow Street, between Atlantic and California Avenues. The lack of infrastructure (streets, storm drains, sewers) in this area, coupled with recent discovery of extensive soils contamination and earthquake faulting, make development extremely expensive. This provision is not considered effective in promoting affordable housing construction.

As of the date of preparation of this report, City Officials have held several meetings and workshops with the property owner of the Bixby Ridge project to review residential development proposals. These incorporate clustered building arrangements and lots smaller by as much as 40% than the minimum lot sizes applicable in largely developed sections of Signal Hill. This provision may facilitate affordable housing production if used in conjunction with land write-downs, first-time buyer assistance, or infrastructure funding programs.

The Redevelopment Agency, beginning in 1992, has solicited proposals from major developers for mixed use development, including affordable housing, on property owned by the Agency in the Town Center West area on the south side of Willow Street, between Walnut and Cherry Avenues. Current lack of available financing, coupled with an overabundance of commercial space in the Los Angeles region and retrenchment by retailers, has rendered development of this mixed use site unsupportable in the current market. As of this writing, however, Redevelopment Agency efforts promoting this development continue.

6. *Promotion of "granny flats" as alternative accommodations for senior citizens.*

Since adoption of the 1986 Housing Element, the City has had only one inquiry about the potential for construction of a granny unit. Analysis of the potential for this form of alternative housing paralleled a 1989 study by the Planning Department of the potential for second units in the Southeast Area of the City (south of 21st Street, east of Cherry Avenue).

The results of this study indicated the low market rents in Signal Hill provided an economic disincentive to construction of new, second units. Inability to recapture the capital investment (upon future sale of the property) deters development of these units.

7. *Adopt streamlined administrative procedures which facilitate opportunities for affordable housing.*

The Planning Department and Building Division continue in their efforts to reduce paperwork and processing time for all development project applications. Inter-departmental coordination of development applications is facilitated by the

relatively small size of the staff and familiarity of all staff members with each project proceeding through the application process.

Informal comparisons of plan check duration in Signal Hill with nearby cities indicates that processing of applications does not contribute identifiably to increased development costs. Consequently, no specific changes are proposed at this time.

8. *Continue under contract with Los Angeles County to provide and administer Section 8 rental assistance.*

This program continues in effect, but as of this writing, only three Section 8 certificates are in use in Signal Hill. Los Angeles County representatives indicate limited availability of Section 8 assistance contracts. No revision in this component of the Implementation Program is contemplated.

9. *Examine and implement a land banking program.*

The Agency examined a land banking program and found that rehabilitating or demolishing dilapidated properties and turning them over quickly is a more effective use of Agency money than land banking.

10. *City will continue to assist developers in site selection and utilization of government programs to construct or rehabilitate "special need" housing and below-market rate housing.*

The City has implemented this program since adoption of the prior Housing Element. The Agency supported the construction of a 24-unit apartment development for very low income disabled persons. The Eucalyptus Apartments, which is sponsored by the Crippled Children's Society of Southern California, is located at the intersection of Alamitos and Gaviota Avenues. The Agency acquired the site and contributed to the project the land, which is valued at $250,000, and granted $275,000 toward construction costs. The Crippled Children's Society received a Section 811 grant of $1.9 million from the U. S. Department of Housing and Urban Development.

11. *Review General Plan element policies affecting housing at least every five years and recommend amendments as needed.*

The City sponsored a General Plan Amendment and Zone Change to create the opportunity for the development of housing units along Pacific Coast Highway. The site was previously designated Commercial General in the General Plan and Zoning Ordinance. In Phase 1 of the project, the General Plan designation was changed to Medium Density Residential and zoning designation to SP - Signal Hill Village Specific Plan.

Phase 1 consists of 52 housing units -- 42 in the City of Signal Hill and 10 on property that is being de-annexed from Long Beach and annexed to Signal Hill. A maximum of 86 additional affordable housing units may be constructed within the Future Phases.

The Agency owns a .95-acre site located at the southeast corner of Orizaba Avenue and 20th Street. The Final EIR for the project assumed that 11 affordable housing units could be built on this site. At a density of 12 dwelling units per acre, the balance of the 75 units would require about 6.75 acres of the total 16 acres located in a Future Phase.

In addition, the City Council approved a Zoning Amendment that designated a 4.7 acre site at a density of 32 dwelling units per acre. This was accomplished in order to implement a recommendation of the State Department of Housing and Community Development to zone one or more sites at a minimum density of 25 dwelling units per acre.

12. *City will continue to inform residents of provisions in Zoning Ordinance allowing mobile homes on permanent foundations.*

Consistent with State Law, the City will permit installation of mobile homes within the City. Discussions with a representative of the Manufactured Housing Association indicated that high land values found throughout Southern California are not conducive to manufactured housing development on in-fill sites.

Consistent with this information, the City will continue to comply with State law in allowing mobile homes. Manufactured housing options are being pursued with owners of in-fill sites identified in the land-banking and sited identification programs.

13. *The City will continue to use criteria previously included in the Housing Element as a means to identify appropriate sites for affordable housing.*

This component will no longer be included in the Implementation Program since potential housing sites have been identified based on the rationale for each site included therein. The success of the criteria used in identifying each of those sites will be evaluated in subsequent mandatory revisions of the Housing Element.

14. *The City will continue to explore funding commitments from State and Federal sources to assist lower and moderate-income households in improving their owner occupied units and to assist with financing of rental rehabilitation.*

At the time the Implementation Program component was devised, limited staff resources precluded a concerted effort to obtain additional outside funding to facilitate rehabilitation efforts. Redevelopment Agency staffing has been expanded since that time and will be available in the future to pursue such opportunities.

Additional outside funding sources will be pursued, as appropriate, to leverage local funds in facilitating those projects and specific programs adopted as part of the Housing Element.

15. *The City's Department of Community Services will investigate the feasibility of sponsoring the "Adopt-a-family" or "Adopt-a-home" program to address the problem of homelessness.*

Limited staff resources precluded feasibility study of the "adopt-a-family" or "adopt-a-home" programs. Additional resources are not anticipated in the near term. Consequently, this Implementation program component is not retained in the revised Housing Element.

16. *The City will encourage joint venture, private, and non-profit cooperative programs for the provision of affordable units.*

This program has been implemented by the Eucalyptus Gardens Apartments and Pacific Highway Corridor Affordable Housing Program. Given the economics of affordable housing development, cooperative arrangements and taking advantage of available tax credits will be used to the extent available.

17. *Public Works will continue to study feasibility of City assuming from County responsibility for checking final subdivision maps in an effort to expedite time-consuming and costly procedure.*

Public Works Department concluded that the cost of assuming map checking responsibilities exceeded the fees charged by the County for this service. No further consideration will be given.

18. *Community Development Department will avoid repeating environmental review of projects in the same vicinity, and will investigate possible preparation of Master Environmental Assessment for the City, to reduce time and costs of preparing individual reviews for all projects.*

An Environmental Impact Report covering the Hilltop residential area (100 acres) was completed in 1992. Findings of this Report were used as basis for Initial Study for the 200+ residential project tentatively proposed for the east flank of the Hilltop. These comprise the two remaining developable residential tracts in the City.

19. *City will encourage the local community college and adult education centers to develop information and counseling programs that advise and assist homeowners and renters in money management, housing selection, purchase procedures, and property care and maintenance.*

This program has been implemented as part of the City's first-time homebuyer program. There are five participating lenders involved in the City's program. The lenders work with Fannie Mae's Community Home Buyer Programs. The Fannie Mae underwriting criteria requires a "consumer education requirement". Home ownership and personal finance education must be provided by the lender or community organization.

20. *The City shall continue to seek Community Development Block Grant funds as available.*

The City continues to participate in the Community Development Block Grant program administered by the Los Angeles County Community Development Commission. Funds are used for projects to benefit low and moderate-income people. These include the improvements to the Signal Hill Park and Community

Center and funding of the Children's Clinic and Brown Bag lunch program for seniors.

21. *The Department of Planning and Community Development, utilizing CDBG funds and working with all City departments, will continue to enforce the City's Building and Safety, Health, Fire, Housing, and Zoning Codes, and provide counseling sources for rehabilitation.*

Enforcement of all applicable codes continues as a function of the Department of Planning and Community Department. Since adoption of the 1986 Housing Element, a total of 49 housing units were upgraded utilizing Community Development Block Grant Funds. A program using housing set-aside funds replaced the CDBG residential rehabilitation grant program in 1997.

22. *The Department of Planning and Community Development, utilizing CDBG funds, will continue to administer and provide deferred rehabilitation loans and grants for eligible single family and rental property improvements.*

This program has been accomplished. Since 1989, the City has implemented a housing rehabilitation program using CDBG funds. Beginning in fiscal year 1995-96, the City Council decided to use the CDBG resources on other eligible activities and to prepare a new rehabilitation program using the Redevelopment Agency's housing set-aside funds. One component of the program, is "Emergency Homes Repairs." The purpose of this program is to eliminate code violations that present a serious risk to the health and safety of owners/occupants of the residential dwellings. The City also is working with nonprofit housing corporations to acquire and rehabilitate apartment buildings.

23. *The Department of Planning and Community Development, utilizing CDBG funds as available, will annually review its Housing Rehabilitation Programs to ensure the most productive method of utilizing CDBG funds.*

Each year since adoption of the 1986 Housing Element, the City of Signal Hill has prepared, and executed a Memorandum of Understanding with the Los Angeles County Community Development Commission, setting forth program objectives and guidelines for expenditure of Block Grant funds. Since 1986, this process has resulted in abandonment of a residential rehabilitation loan program in favor of outright grants. Commensurate with the needs of the affected neighborhoods and program participants, the amount available for eligible households has been increased from $2,500 to $5,000. In 1996, the Redevelopment Agency assumed this program including funding.

Annual evaluation of Block Grant Program objectives will continue as part of the Memorandum of Understanding preparation process.

24. *The Department of Planning and Community Development will continue to utilize rental limitation agreements when rehabilitation funding is provided for rental property in Signal Hill.*

State law requires rental regulatory agreements in instances of substantial rehabilitation. In 1994and 1999, the Redevelopment Agency adopted the

Redevelopment and Housing Implementation Plan. As a part of that Plan, potential rental improvement projects were identified as well as the need to establish rent limits. Rental rehabilitation projects funded with Agency funds and deemed to be substantial rehabilitation will have covenanted deed restrictions as required by State law.

25. *The City will encourage community groups to organize and implement Neighborhood Clean Up and Identity programs. The programs will assist residents in organizing clean-up campaigns and other activities to build pride and responsibility in their neighborhoods.*

Beginning in October 1993, the City sponsored meetings in neighborhoods throughout the City. The outgrowth of these meetings was the organization of quarterly clean-up efforts in each of the three major neighborhoods within the City. The City provided staff support as well as equipment for use in the clean-up operations.

26. *The City will continue utilizing Section 17299 of the Revenue and Taxation Code that denies income tax deductions to owners of substandard property upon notification by the City.*

The City has not utilized Section 17299.

27. *To advance equal housing opportunities, and to ensure city-wide compliance with all fair housing laws and regulations, the City will continue to investigate complaints; provide referral information to minority home seekers; and promote affirmative action among local real estate boards workers, property owners, and banking and lending institutions within the City.*

The City continues to contract with the Long Beach Fair Housing Foundation to advance the objectives of equal opportunity in housing.

28. *The Department of Planning and Community Development will require all participants in the City's Residential Housing Programs to utilize the most cost-effective energy-conserving construction and rehabilitation techniques available (i.e. home insulation, solar energy, building orientation, etc.)*

All new construction and substantial rehabilitation or renovation projects must comply with applicable requirements of Title 24 of the California Administrative Code to ensure energy efficiency.

29. *The City shall take measures, as feasible, to facilitate and maximize energy conservation in new and existing residential developments, including information distribution to residents; energy audits, as requested by residents and provided by the Southern California Edison Company; retrofitting of existing units with every conservation devices; and requiring energy saving devices in new construction.*

Information on residential energy conservation is displayed and distributed at the Building and Safety service counter. Recent Municipal Code amendments pertaining to development of the remaining vacant residential land tracts in the

City require incorporation of energy-saving devices including insulation, solar panels for heating pools and spas, double-pane windows, and high-efficiency heating and cooling systems.

30. *The City of Signal Hill will continue to monitor private investment and fair lending practices in the City to identify mortgage or rehabilitation loan deficient areas and will bank funds with financial institutions which affirmatively support these areas, through the Long Beach Fair Housing Foundation.*

Redevelopment Agency staff, in cooperation with local banks through the First-Time Buyers Program, will monitor lending practices to ensure compliance with the Community Reinvestment Act and FIRREA.

31. *City Departments will continue to coordinate capital improvement plans, placing priority on the special needs of areas designated for revitalization. Where feasible, CDBG funds shall be used to finance infrastructure improvements.*

Since 1986, the City has invested approximately $400,000 in improvements to the Community Center and Signal Hill Park, both of which provide recreational opportunities to low and moderate-income residents, consistent with requirements of the Department of Housing and Community Development.

With updated data of the 1990 Census, the area qualifying as low-income for purposes of complying with Housing and Urban Development guidelines for use of Block Grant funds for community improvement projects has been significantly reduced. Therefore, no new community improvement projects utilizing Block Grant funds are planned or anticipated.

32. *The City will encourage the use of existing funds and on an on-going basis, support additional state and federal legislation that continues or results in additional levels of funding for local housing activities such as FHA and HUD sponsored mortgage insurance and financing programs.*

This program has been accomplished. The 1994 and 1999 Home Mortgage Disclosure Act (HMDA) data were reviewed for purposes of estimating FHA loan activity in the City. A total of 21 FHA loans were originated in 1994. In addition, HUD has approved a $1.9 million Section 811 grant to the Crippled Children's Society of Southern California to enable the construction of 24 apartment units for disabled persons.

33. *The City will periodically review its user charges and fees for services and utilities to ensure that they are consistent with costs incurred by the City.*

With passage of Assembly Bill 1600 City staff has examined various fee structures to ensure that fees charged are consistent with the cost of providing respective services. Water rates, for example, were recently increased so that the water system is no longer subsidized from the General Fund, but rather pays its own way.

Plan check fees for both Building and Safety and Public Works applications are charged based on the valuation of the project. Review of Planning Department

fees for application processing indicate that fees are insufficient to cover costs of services provided and, consequently, manpower logs for newly-received applications are in use to determine appropriate fees and processing charges for future applications.

Water, traffic, and parks and recreation impacts fees have been determined based on engineering studies and cost estimates of required system improvement prorated for each development project on the basis of objective measure of future benefit and use accruing to each such project.

34. *The City will utilize the database provided by a recent survey of historical resources and structures in the City as a basis for prioritizing those resources that should be preserved and for developing appropriate protection mechanism.*

Database has been utilized; priorities have not been established.

35. *The City will cooperate and coordinate its housing programs with the City of Long Beach and Los Angeles County; alternative inter-governmental arrangements and program options will be investigated. This will allow shared and/or complementary programs for the time and cost savings.*

The cities of Signal Hill and Long Beach have recently established representative committees from both City Councils to promote positive relationships between the two cities. No specific cooperative agreements have emerged from those discussions, and agreements for cooperative housing programs are not currently being considered.

The City of Signal Hill continues to participate in the multi-family rental rehabilitation program offered by the Los Angeles County Community Development Commission. The paperwork and burdensome documentation requirements of the program have, in the City's experience, discouraged participation by Signal Hill property owners. The City will retain this option, however, for possible use in conjunction with other City programs.

36. *The City will support adoption of federal and state tax incentives, which encourage investors to improve their properties and disincentives for investors who, maintain their properties in substandard conditions.*

The City continues to support these tax incentives.

37. *The Housing Element will be reviewed annually. The annual review will be based on the following criteria*

    a. *The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.*

    b. *The effectiveness of the Housing Element in attainment of the community's housing goals and objects.*

    c. *The progress of the City in implementation of the Housing Element.*

The General Plan has been reviewed on an annual basis. Except for progress within the year preceding preparation of the current Housing Element update, no significant progress toward achieving the affordable housing goals had been made. The content of this section, assessing Implementation Program components and their effectiveness, will serve as the current year's review of the Housing Element.

In the future, the annual review will consist of a "Progress Report" on the achievement of the quantified objectives. The "Progress Report" will be transmitted to the Planning Commission as part of their Annual Review of the General Plan. Government Code Section 65400 requires each city and county planning agency to provide an annual report to the legislative body on the status of the local general plan and progress in its implementation. Chapter 1441 of the Statutes of 1990 (SB 2274) states that annual reports must include "the [locality's] progress in meeting its share of regional housing needs determined pursuant to Section 65584" of the Government Code.

38. *The entire Housing Element will be revised in 1994 as required by State Law.*

This document is intended to satisfy this objective.

39. *The City will continue to use Proposition A funds for Dial-A-Ride for seniors and handicapped residents. (Operation is contracted with Long Beach transit.)*

Contractual commitment between the City and Long Beach Transit continues in effect. Approximately 162 seniors utilize the Dial-A-Ride program annually, accounting for 1,682 passenger trips.

40. *The Signal Hill Redevelopment Agency is currently studying programs for the 20 percent set aside to be used for low and moderate housing. Alternatives will be considered in 1990-1991.*

The City, in cooperation with Keyser-Marston Associates, prepared an Affordable Housing Strategy in 1992. The allocation of funds from the 20 percent Redevelopment Agency housing set aside priorities was determined in the AB 1290 Redevelopment and Housing Implementation Plan adopted in December 1994 and December 1999.

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